South African Weather Service

Fixed Assets Management
Training Manual

Document Review and Distribution

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Document review

This document is deemed official only if the reviewers have signed below

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Version	Name	Date	Email Address

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1 INTRODUCTION

1.1 Document Purpose

The purpose of this training document is to provide steps on how to enter/maintain Assets and process transactions on the NetSuite system.

1.2 Scope

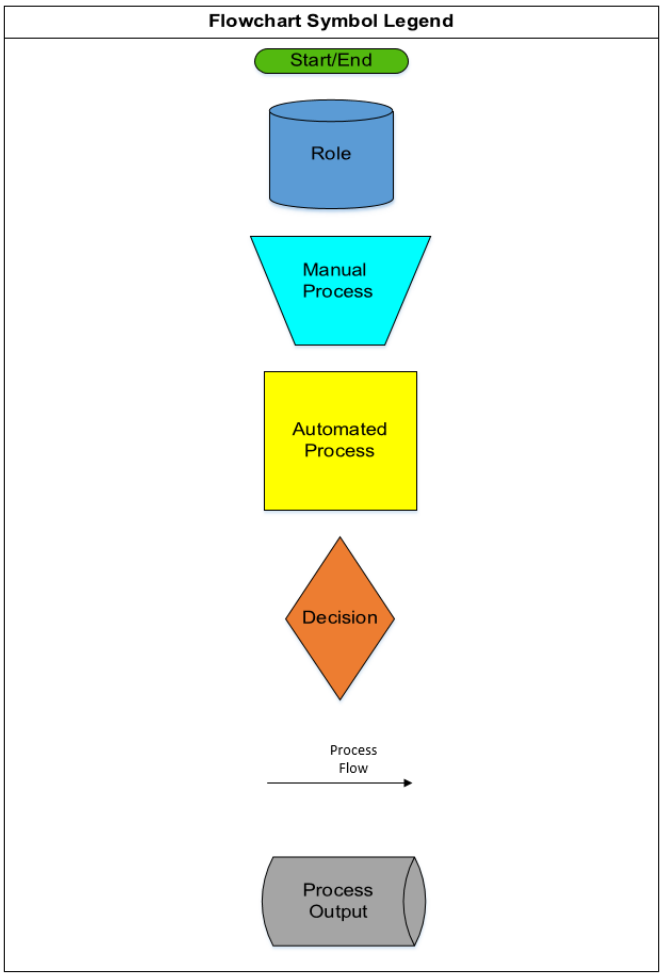
The focus of the training will be on the below functions in NetSuite:

- Asset Records
- Asset Depreciation
- Asset Disposal
- Asset Split
- Asset Transfer
- Asset Verification
- Asset Reports

1.3 Process Flow

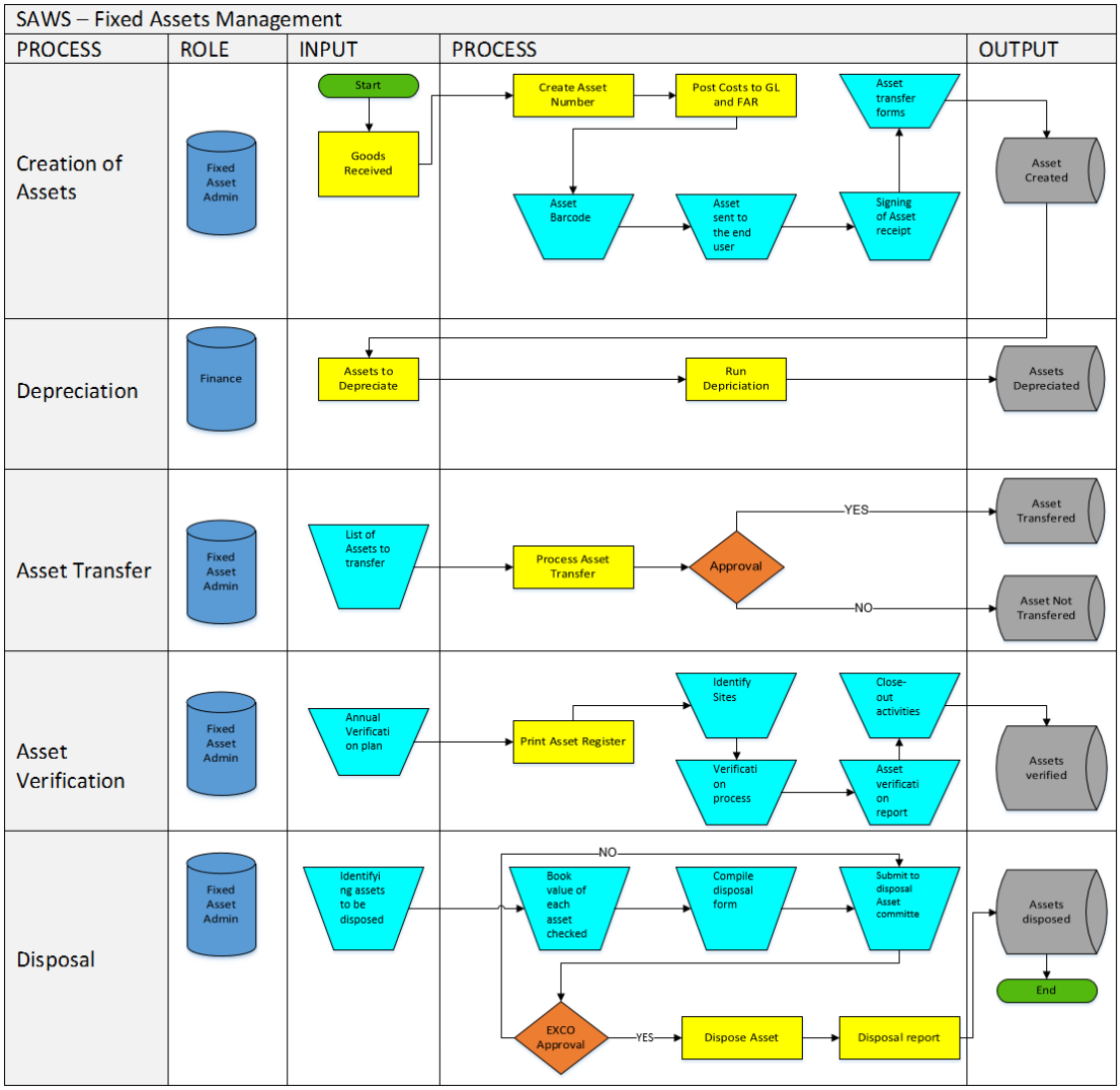
Flowchart Legends

The following are the flowchart symbol legends:



Fixed Assets Management Process

The following figure shows the Fixed Assets Management Process Flow:



2 FIXED ASSETS MANAGEMENT

NetSuite Fixed Assets Management provides automated management of fixed assets acquisition, depreciation, disposals, splits, transfer etc. You can import new assets into NetSuite to track asset depreciation, including the depreciation history of assets. New asset records can also be created manually in NetSuite.

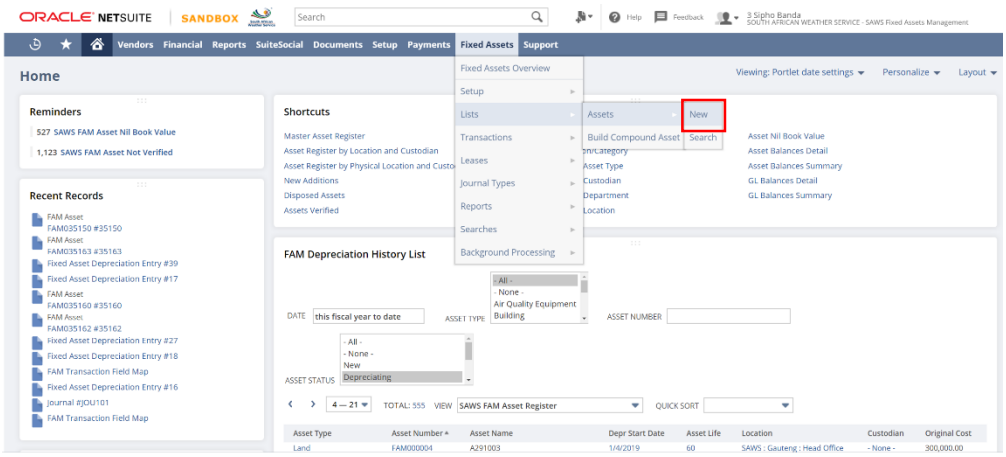
2.1 Asset Records

2.1.1 Asset Types

Before you create an asset record, you must create asset types. Each asset must be assigned an asset type, which defaults some of the asset variables (on creation of new assets) and groups assets in reports and during processing.

To create an asset type:

- Go to Fixed Assets > Setup > Asset Types > New.

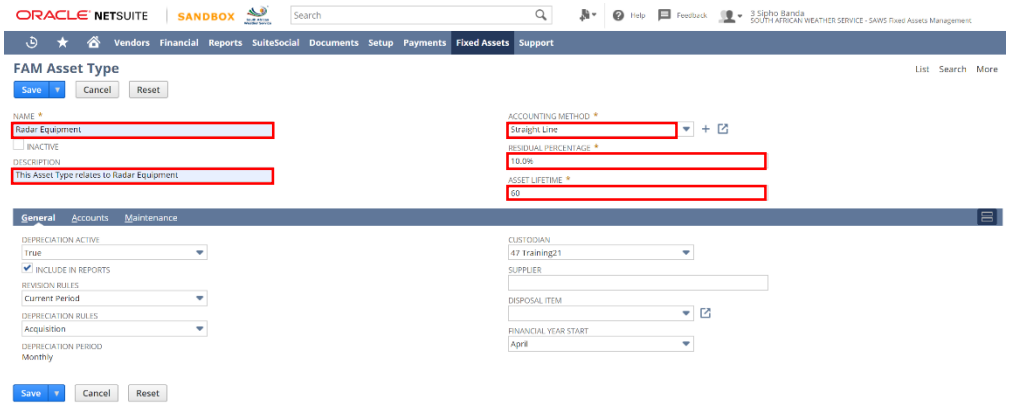


- Enter the following fields:
  - Name e.g. **Radar Equipment**. This is a name for the asset type.
  - Description e.g. **This Asset Type relates to Radar Equipment**. This is a general description for the asset type.
  - Accounting Method e.g. **Straight Line**. This method will be used to calculate the values that will be entered into the accounting system.

- Residual Percentage e.g. **10%**. Enter the percentage value of the original cost which the asset will be worth at the end of its lifetime. For example, an asset purchased for R1,000.00 may be worth R100.00 at the end of its lifetime, so the residual value percentage would be 10% (10% of R1,000.00 is R100.00). Entering a residual value will always override the default value calculated using the percentage.
- Asset Lifetime e.g. **60**. Enter the expected lifetime of the asset, in multiples of the depreciation period. Only months is currently supported.

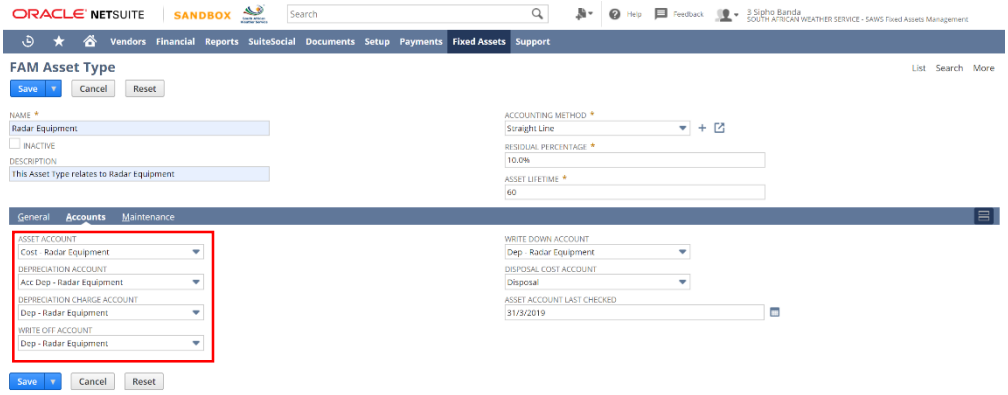
- On the General subtab, provide values for the following fields:
  - Depreciation Active e.g. **True**. You can also select from the following options:
    - True to make this asset type active and to include it in depreciation processing.
    - False if you do not want to include this asset type in depreciation processing.
    - On Project Completion - For assets related to a project, this option sets the assets to start depreciation when the project is completed. Note The Depreciation Start Date and the Acquisition History record will be available, only when the project is closed.
  - Include in Reports - Check this box to include the asset type in the Asset Summary Report. By default, all assets are included in the report.
  - Revision Rules e.g. **Current Period**. Controls how revisions (revaluation) affect the asset.
  - Depreciation Rules e.g. **Acquisition**. You can also select from the following options:
    - Acquisition – Asset is depreciated in the same period when it is first made active.
    - Disposal – Asset is depreciated in the final period of its lifetime.
    - Pro-rata – Asset will depreciate in proportion to a partial month in both the period of acquisition and of disposal, based on a standardized 30-day month.
    - Mid-month – If the Depreciation Start Date falls within the first half of the month (for example, July 11, 2011), then depreciation starts on the same month of the asset acquisition (July). If the Depreciation Start Date falls within the second half of the month (for example, June 18, 2011), then depreciation starts on the month after the month of asset acquisition (July).
  - Depreciation Period e.g. **Monthly**. Select whether the asset will be depreciated monthly or annually. The system defaults to monthly.
  - Custodian e.g. **Training21**. Select the default employee responsible for assets of this type.

- Financial Year Start e.g. **April**. Select the month on which the financial year starts.



- On the Accounts subtab, select accounts to post to for this asset type:

  - Asset Account e.g. **Cost – Radar Equipment**. Select the main asset cost account (balance sheet). When proposing new assets, this is the account that will be searched for new transactions.
  - Depreciation Account e.g. **Accu Dep – Radar Equipment** – Select the account that will be tracking the accumulated depreciation (balance sheet).
  - Depreciation Charge Account e.g. **Dep – Radar Equipment** – Select the expense account for the depreciation charges (period depreciation amount).
  - Write Off Account e.g. **Dep – Radar Equipment** – Select the account for the asset write-off expense.
  - Write Down Account e.g. **Dep – Radar Equipment** – Select the account for the asset write-down expense.
  - Disposal Cost Account e.g. **Disposal** – Select the account for the asset disposal (sale) expenses.
  - Asset Account Last Checked e.g. **31/03/2019** – Enter a start date for the New Asset Proposal process which will search for transactions dated on or after this date. This date will be automatically updated each time asset proposal is run. This date is used for Asset proposal.

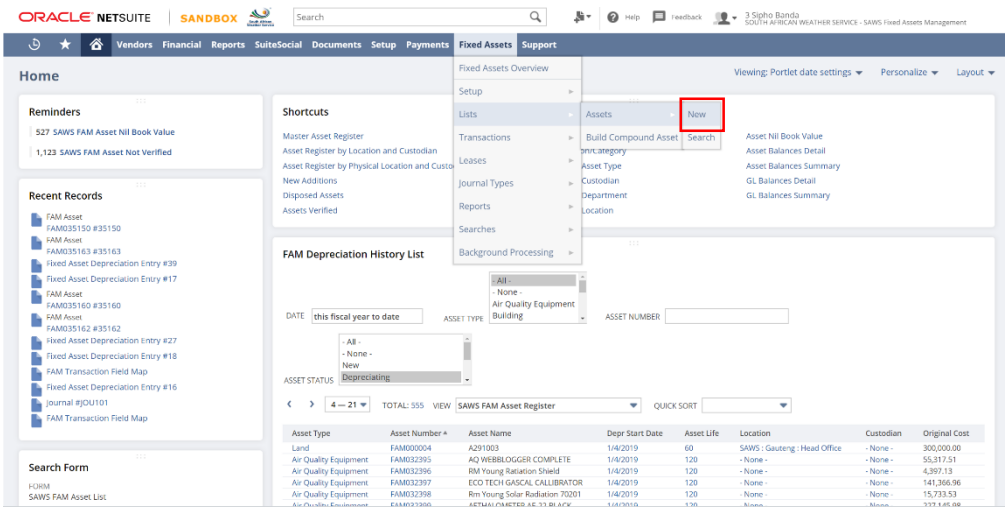


- Click the Save button.

2.1.2 **Creating Assets**

To create an asset record:

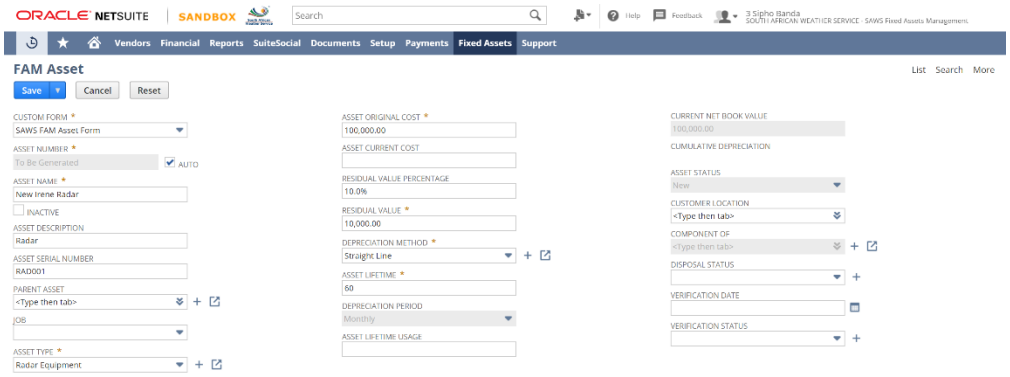
- Go to Fixed Assets > Lists > Assets > New



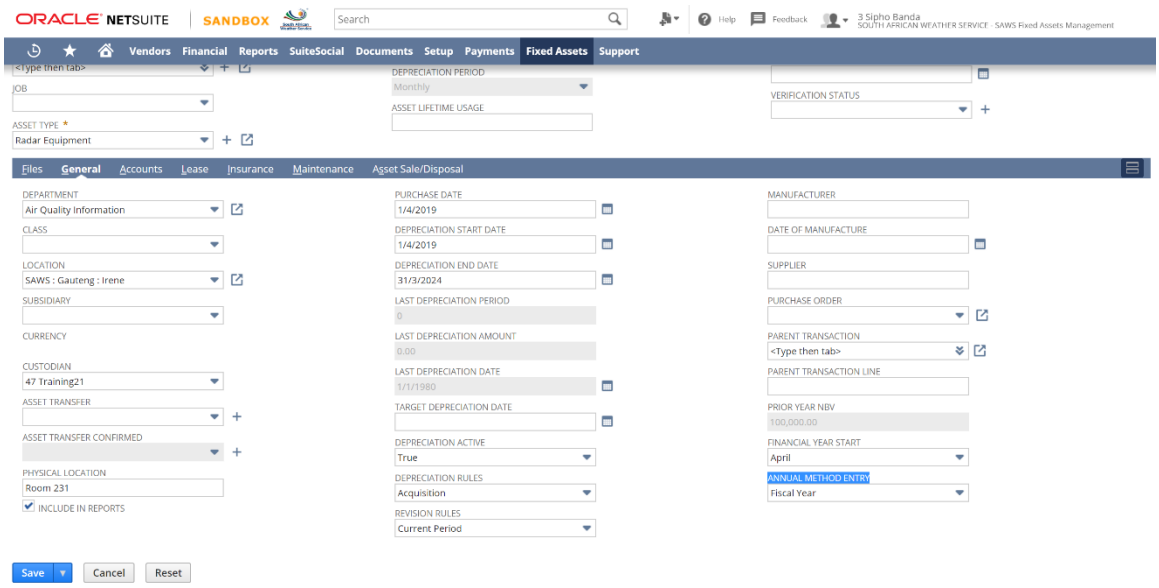
- Enter values for the following fields:
    - Note: The Asset Number is system-generated.
    - Asset Name e.g. **New Irene Radar** – This is a name of the asset.
    - Asset Description e.g. **Radar** – This is a brief description of the asset.
    - Asset Serial Number e.g. **RAD001** – This is a serial number to track or identify the asset.
    - Parent Asset – If this asset is part of a collection of assets, select the parent asset that this asset belongs to. Child assets are automatically depreciated when the parent asset is depreciated, and could also be affected by other operations upon the parent asset.
    - Project – Select the project that the asset is related to. You can set the Depreciation Active setting to On Project Completion for assets related to a project. This will automatically start asset depreciation when the project completes. For more information on Depreciation Active, see General Subtab.
    - Asset Type e.g. **Radar Equipment** – Select the asset type for this asset. When you select an asset type, default values based on the asset type will automatically populate most of the asset record fields. The asset type also categorizes assets in reports and other processes.
    - Asset Original Cost e.g. **100 000** – Enter the original (purchase) cost of the asset.
    - Asset Current Cost e.g. **100 000** – If the current cost is the same as the original cost, it will default once the record is saved. This will include any write-down amounts which have been applied to the asset.
    - Residual Value Percentage e.g. **10%** – The default value is set by asset type. You can enter a percentage if it is different to the default value from the asset type.
    - Residual Value e.g. **10 000** – This values defaults from the residual value percentage.
    - Accounting Method e.g. **Straight Line** – The default method is set by asset type.
    - Asset Lifetime e.g. **60** – The value defaults from the asset type but it can be modified.
    - Depreciation Period e.g. **Monthly** – It defaults to monthly.
    - Asset Lifetime Usage – If the depreciation of the asset is governed by the use made of that asset (for example, vehicle mileage), enter a lifetime usage figure that represents the total number of units available for the asset. When the total usage to date equals the

lifetime usage, the asset will have reached the end of its lifetime. Leave blank.

- Current Net Book Value e.g. **100 000** – The current book valuation of the asset defaults from the Asset Original/Current Cost.
- Cumulative Depreciation – The total depreciation amount applied to date to the asset. It is greyed out.
- Asset Status e.g. **New** – Defaults to New.
- Customer Location – Select a customer or create a new customer record.
- Disposal Status – Leave Blank.
- Verification Date – Leave Blank. Enter a verification date if the asset has been verified.
- Verification Status – Leave Blank. Enter a verification status if the asset has been verified.

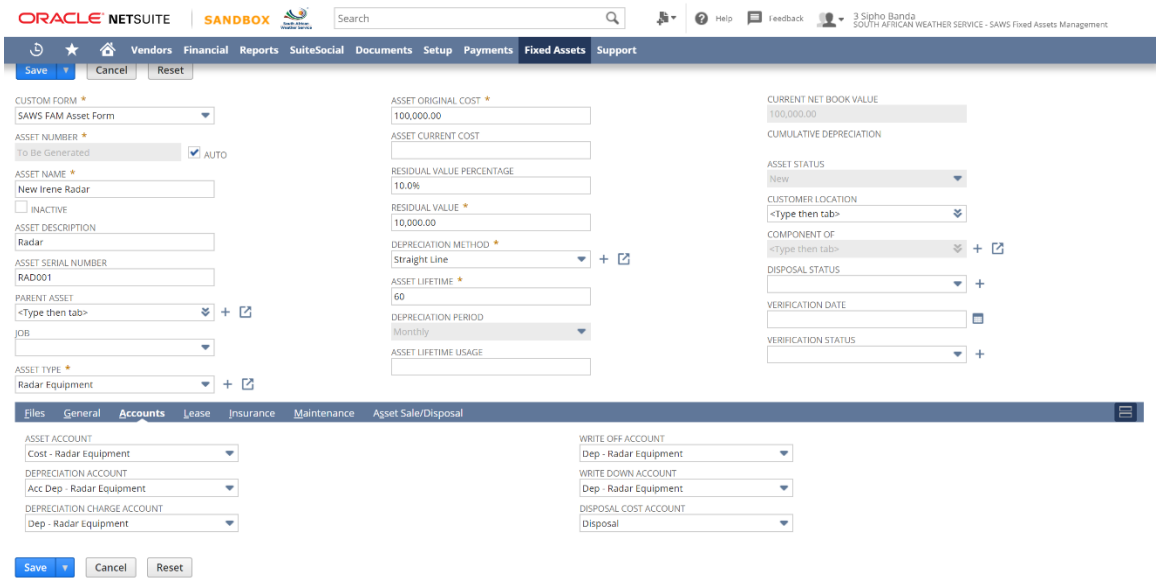


- On the general subtab enter values for the following fields:
  - Department e.g. **Air Quality Information**
  - Location e.g. **SAWS : Gauteng : Irene**
  - Custodian e.g. **Training 21** – This value defaults from the asset type.
  - Physical Location e.g. **Room 231**
  - Include in Reports – the check box is checked.
  - Purchase Date e.g. **01/04/2019**
  - Depreciation Start Date e.g. **01/04/2019**
  - Depreciation End Date e.g. **31/03/2024** – The date is calculated based on the asset lifetime and depreciation start date.
  - Depreciation Rules e.g. **Acquisition**. Defaults from the asset type.
  - Revision Rules e.g. **Current Period**. Defaults from the asset type.
  - Depreciation Active e.g. **True**.
  - Financial Year Start e.g. **April** – Select the month on which the financial year starts.
  - Annual Method Entry e.g. **Fiscal Year**.



- On the Accounts subtab, select accounts to post to for this asset type:
  - Asset Account e.g. **Cost – Radar Equipment** – This value defaults from the asset type.
  - Depreciation Account e.g. **Accu Dep – Radar Equipment** – This value defaults from the asset type**.**

- Depreciation Charge Account e.g. **Dep – Radar Equipment** – This value defaults from the asset type.
- Write Off Account e.g. **Dep – Radar Equipment** – This value defaults from the asset type.
- Write Down Account e.g. **Dep – Radar Equipment** – This value defaults from the asset type.
- Disposal Cost Account e.g. **Disposal** – This value defaults from the asset type.

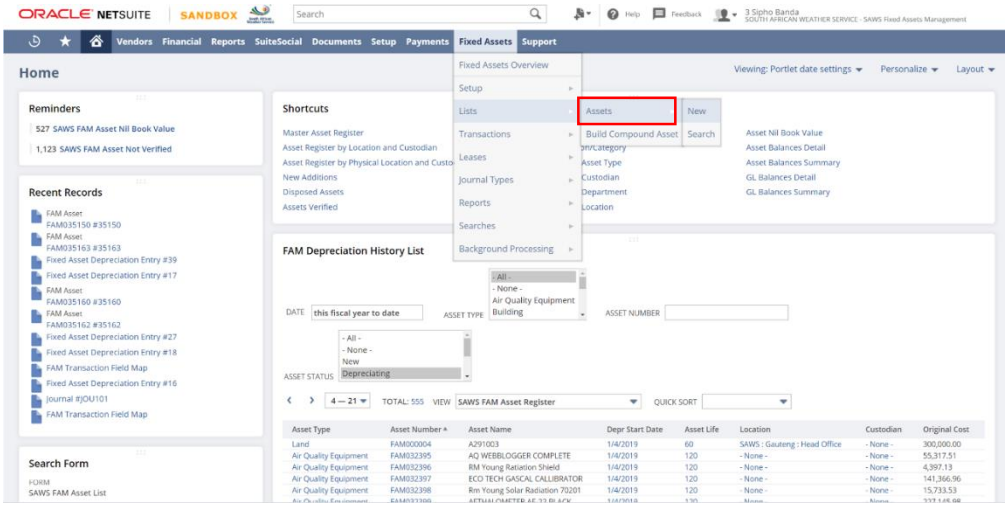


- Click the Save button.

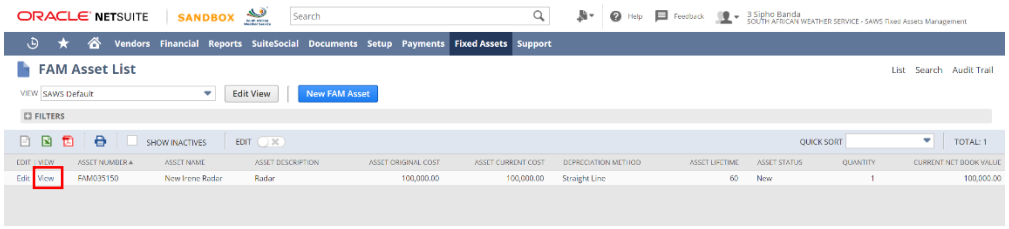
2.1.3 **Review Assets Information**

To review the Asset information:

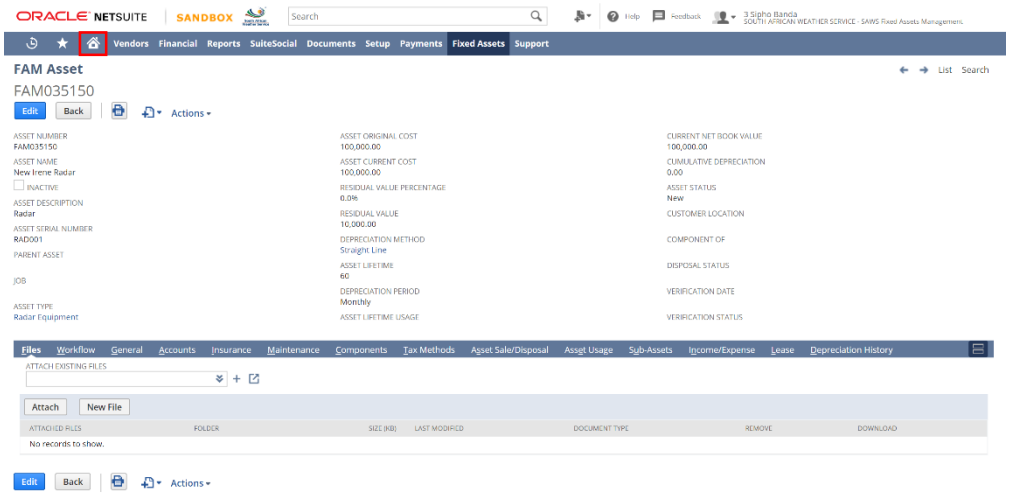
- Go to Fixed Assets > Lists > Assets



- Click View



- Review the Asset details then click the home button.



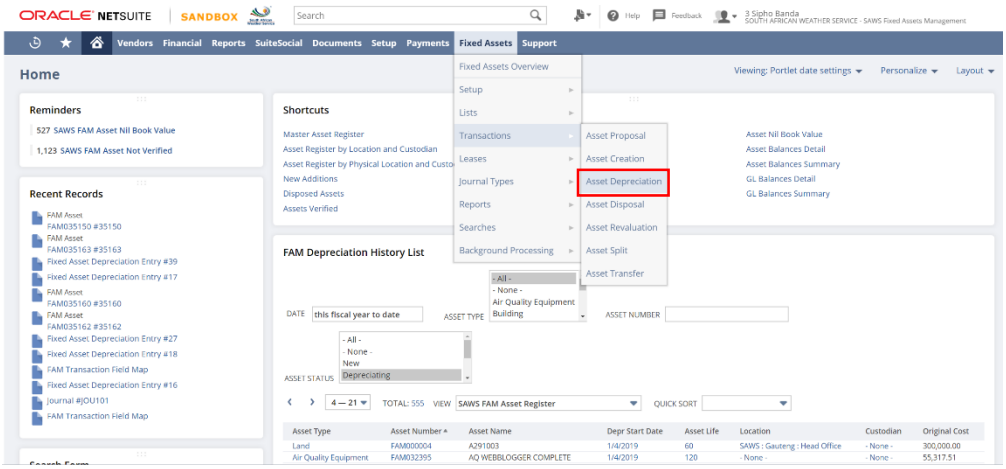
2.2 Asset Depreciation

In the Fixed Assets Management SuiteApp, you can run Asset Depreciation to depreciate assets for the first time or to depreciate an asset following a revision of the depreciation method or period. Asset depreciation can be performed periodically for a single asset type or for several asset types. This procedure is run to depreciate assets for the next period. The Fixed Assets Management SuiteApp will decide which assets require depreciation by checking the depreciation start date, last depreciation period, and depreciation rules. When posting the depreciation values, the system will create a batch of GL journal entries. An asset will depreciate for each period set on the depreciation method. An asset will depreciate for each of its period intervals up to the date entered on the Depreciate Assets page. For example, if an asset has a monthly depreciation period, and its last depreciation is in January, a depreciation run for June will cause a depreciation to happen for February, March, April, May, and June.

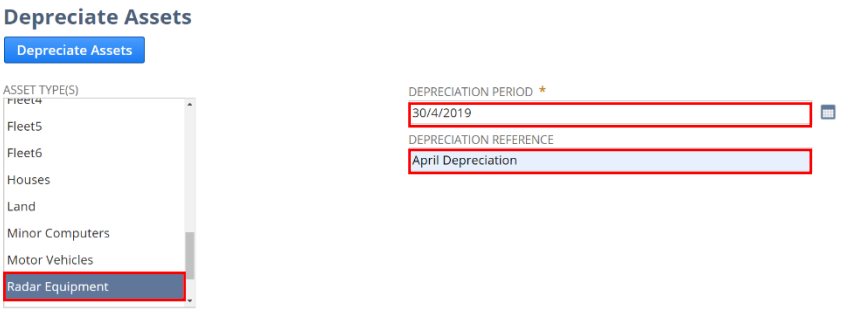
2.2.1 **Run Depreciation**

To depreciate assets for the period:

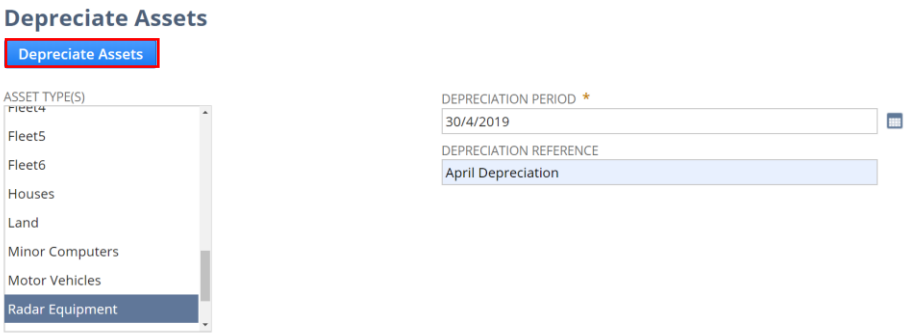
- Go to Fixed Assets > Transactions > Asset Depreciation.



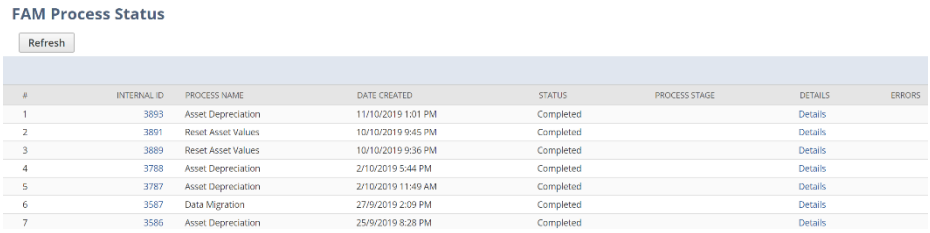
- Enter values for the following fields:
  - Asset Type(s) — Select one or more asset types.
  - Depreciation Period e.g. 31/07/2019 – This is a date up to which assets will be depreciated.
  - Depreciation Reference e.g. July Depreciation - Enter a depreciation reference to be used as the base reference on all generated journals. Leave this field blank to use the default reference.



- Click Depreciate Assets. The Fixed Assets Management SuiteApp calculates the value to be depreciated based on the depreciation method and period entered.



- You will be redirected to the Process Status page, where you can track the status of the depreciation. On the Process Status page, the following processes will be queued for asset depreciation. You can click the Details link on any process to view the process stage details. The process has completed.

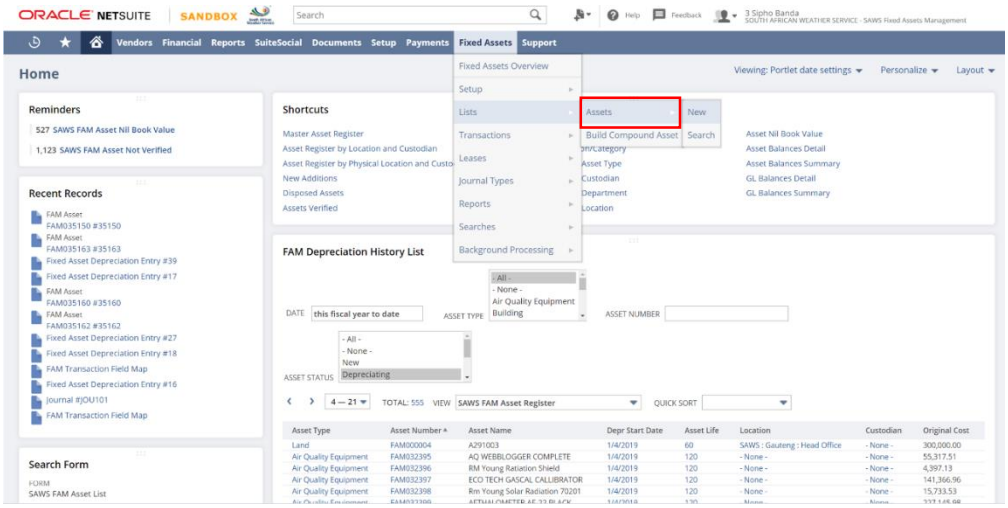


#	INTERNAL ID	PROCESS NAME	DATE CREATED	STATUS	PROCESS STAGE	DETAILS	ERRORS
1	3893	Asset Depreciation	11/10/2019 1:01 PM	Completed		Details	
2	3891	Reset Asset Values	10/10/2019 9:45 PM	Completed		Details	
3	3889	Reset Asset Values	10/10/2019 9:36 PM	Completed		Details	
4	3788	Asset Depreciation	2/10/2019 5:44 PM	Completed		Details	
5	3787	Asset Depreciation	2/10/2019 11:49 AM	Completed		Details	
6	3587	Data Migration	27/9/2019 2:09 PM	Completed		Details	
7	3586	Asset Depreciation	25/9/2019 8:28 PM	Completed		Details	

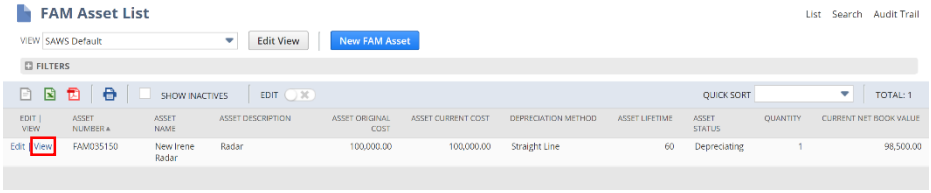
2.2.2 **Review Depreciation Entries**

To review depreciation entries:

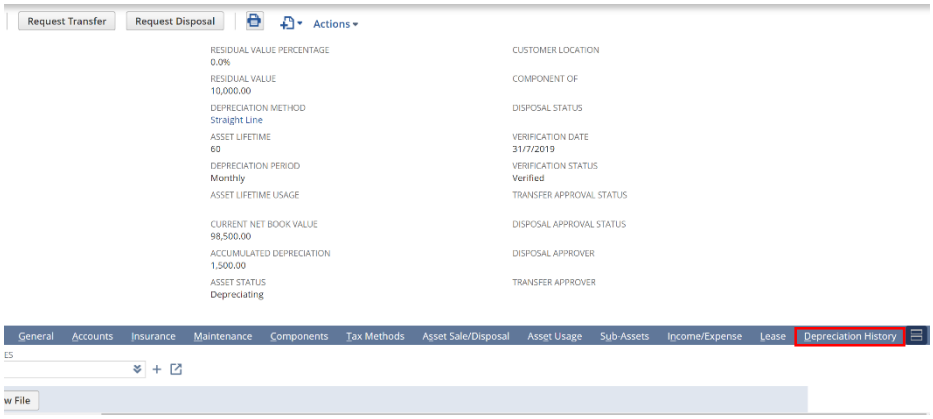
- Go to Fixed Assets > Lists > Assets



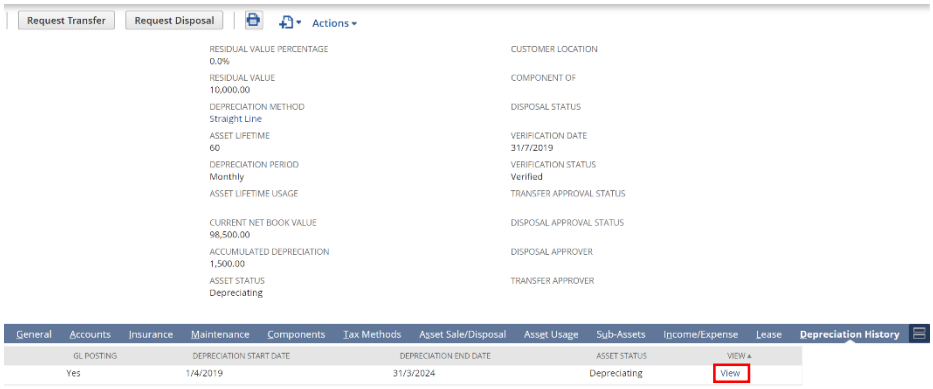
- Click View



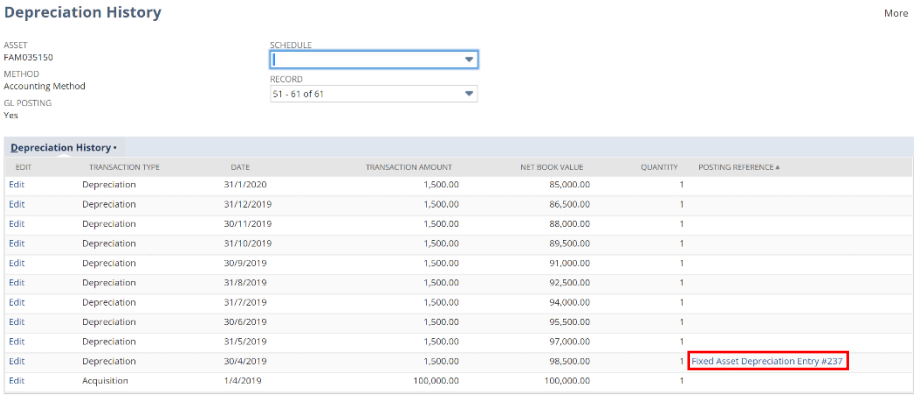
- Click the Depreciation History



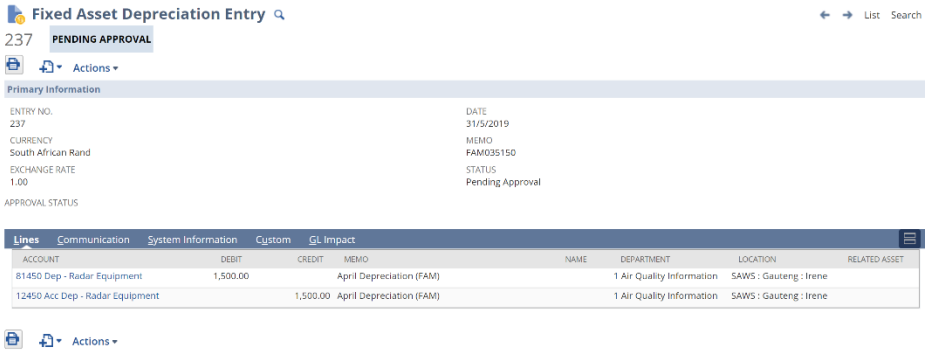
- Click on view



- Click the Journal Entry **Fixed Asset Depreciation Entry #237** link to review the details

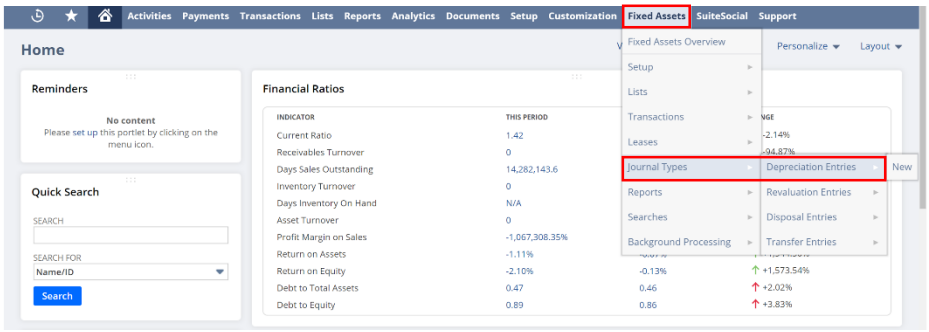


- The Fixed Asset Depreciation Entry is pending approval, review the details then click the home button.

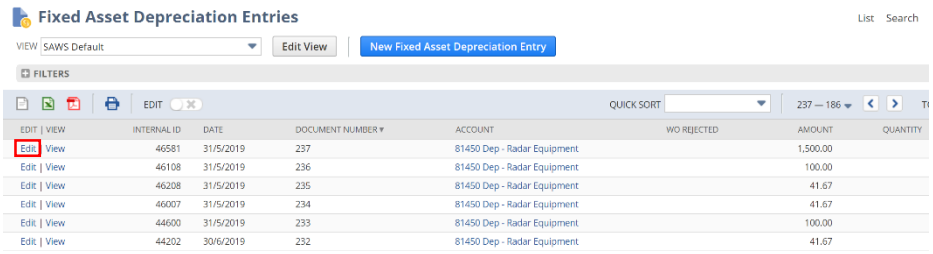


Finance will approve the Journal Entry by following the steps below:

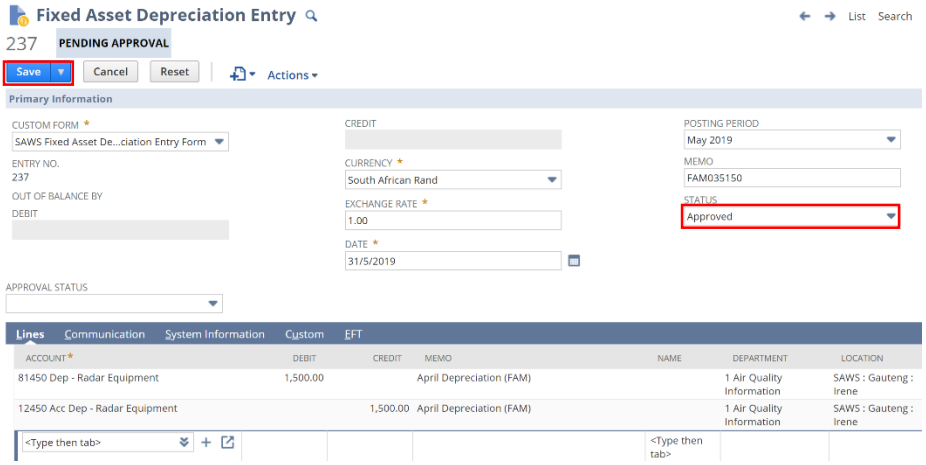
- Go to Fixed Assets > Transactions > Journal Types > Depreciation Entries



- Click Edit on Journal Entry **Fixed Asset Depreciation Entry #237**



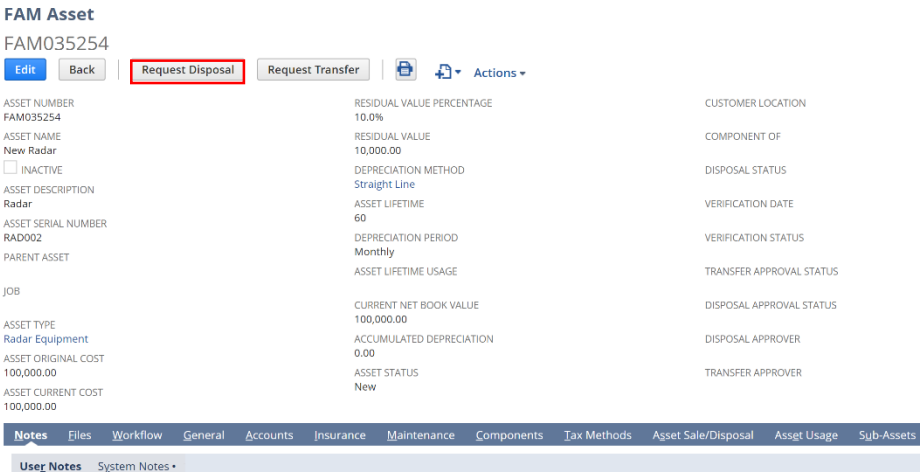
- Change the Approval Status to Approved than click the Save button.



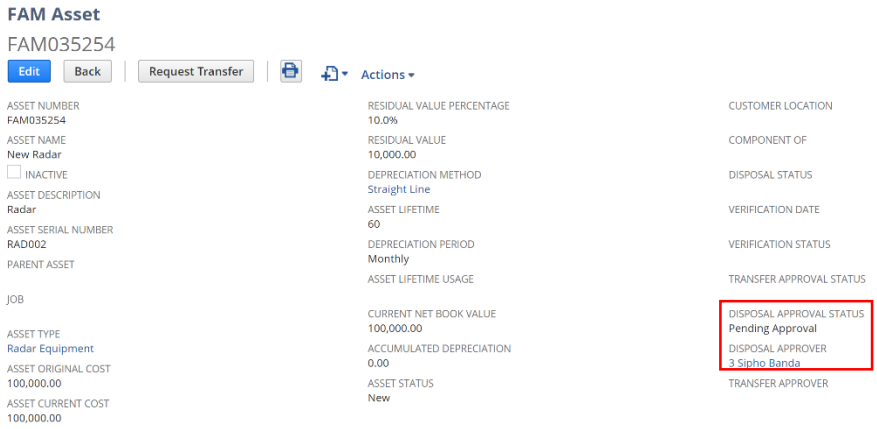
2.3 Asset Disposal

The Fixed Assets Management SuiteApp enables you to write-off or sell a simple or compound asset. When a fixed asset is disposed during, or at the end of its useful economic life, an adjustment needs to be made to the depreciation provision account so that the account balance represents only the accumulated depreciation to date on fixed assets held at that point in time. Disposing an asset by sale lets you enter a proceeds value and post the difference between the net book value and the proceeds earned from the sale of the asset to the general ledger. A sales invoice is created using the Disposal Item as the line item, and the asset status is set to Disposed. Writing off an asset will post the net book value and cumulative depreciation of the asset to the general ledger and set the book value and cumulative depreciation of the asset to zero. During asset disposal, the system creates depreciation histories for the asset's accounting methods and tax methods (Depreciation History and Alternate Depreciation History Sublist). Asset disposal is applied for both accounting and alternate/tax methods, where the amount sold is separately calculated for each of the methods. For accounting methods, the amount is sourced from the Asset Current Cost in the FAM Asset record. For alternate/tax methods, the amount is sourced from the Current Cost in the FAM Alternate Depreciation record.

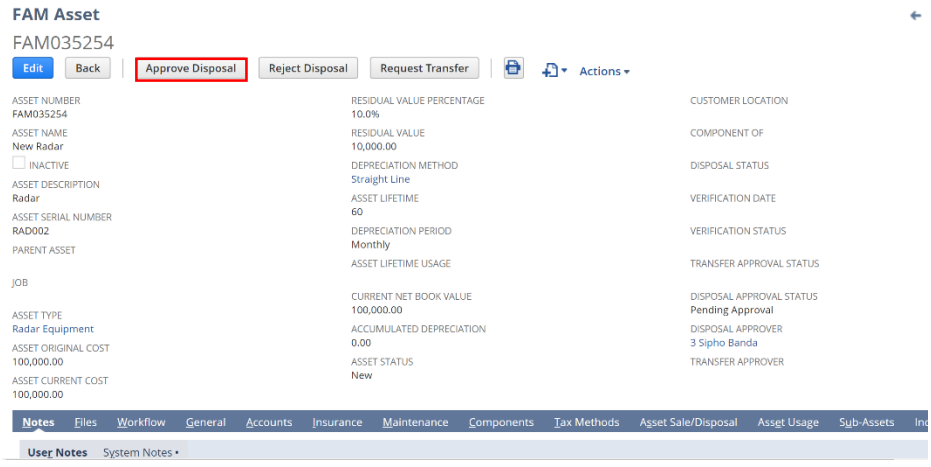
- To request approval for disposal, Click the Request Disposal



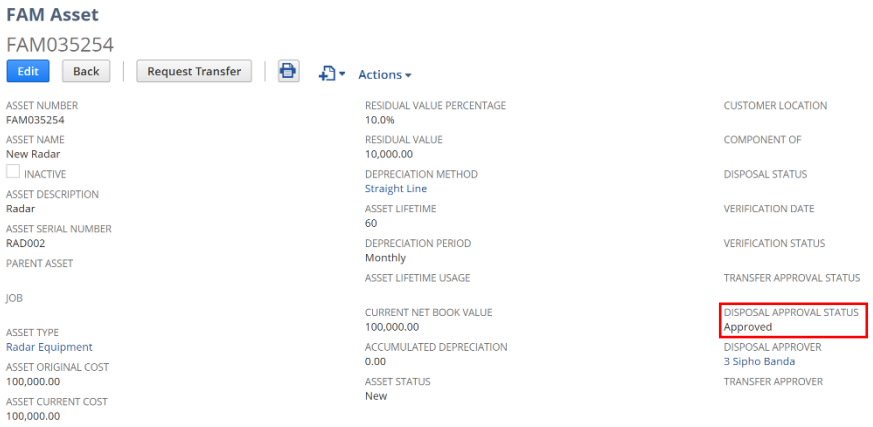
- The disposal request is pending approval



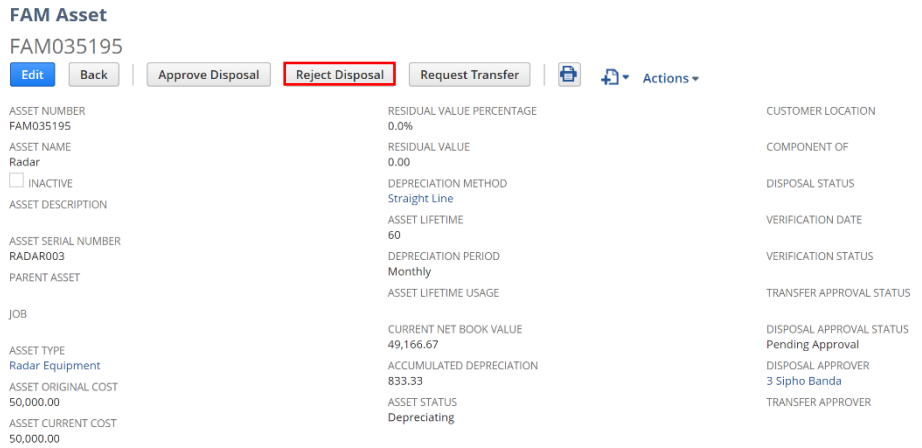
- To approve the disposal request, click the Approve disposal button.



- The disposal has been approved.

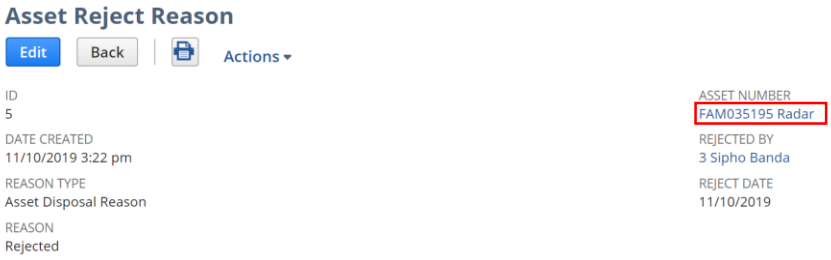


- To reject the asset disposal, Click the Reject Disposal button.

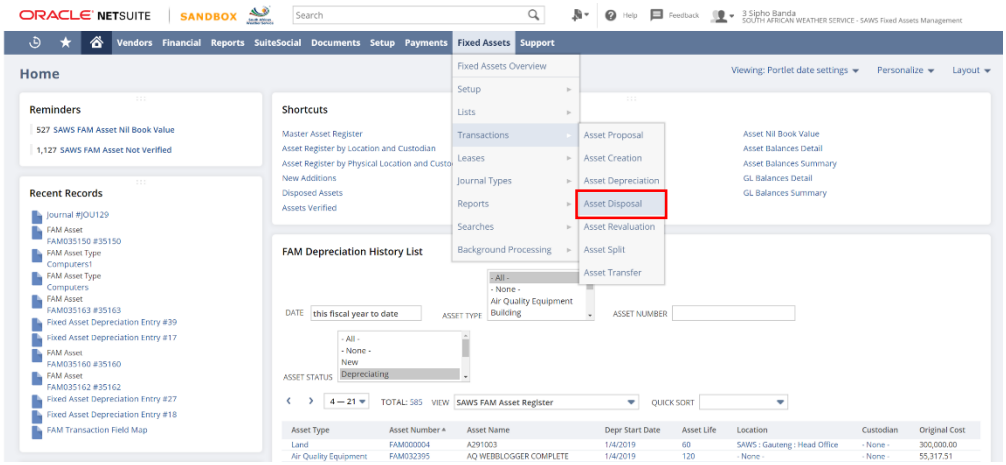


- Enter rejected on the rejection reason then click the save button.

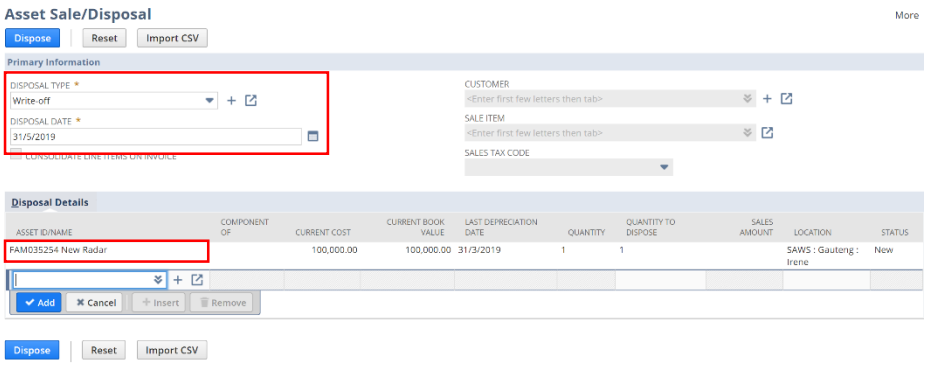
- Click the **FAM035195 Radar** to go back to the Asset detail.



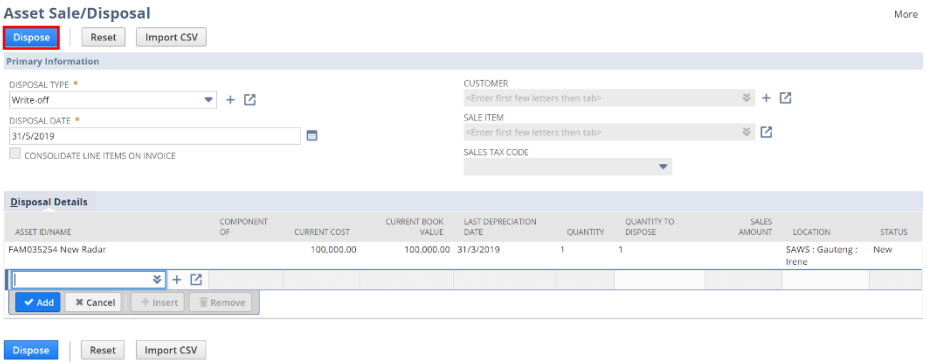
- To process the disposal, go to Fixed Assets > Transactions > Asset Disposal. Log a case with supply chain.



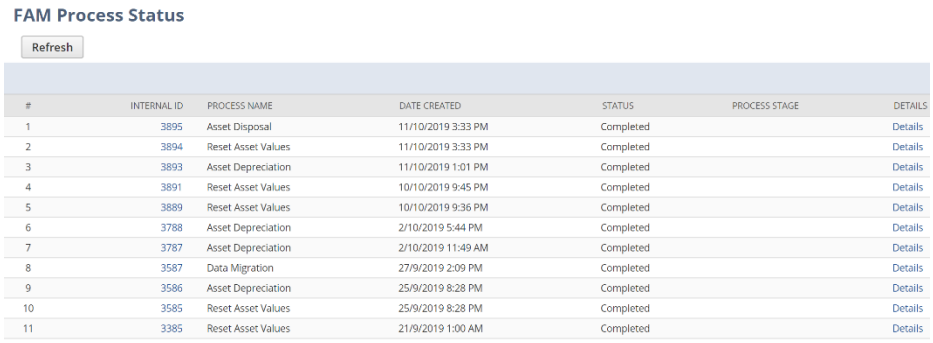
- Enter the following fields:
  - Disposal Type e.g. **Write Off.**
  - Disposal Date e.g. **31/05/2019**.
  - Asset ID/Name e.g. **FAM035254 Radar**.



- Click the Dispose button.

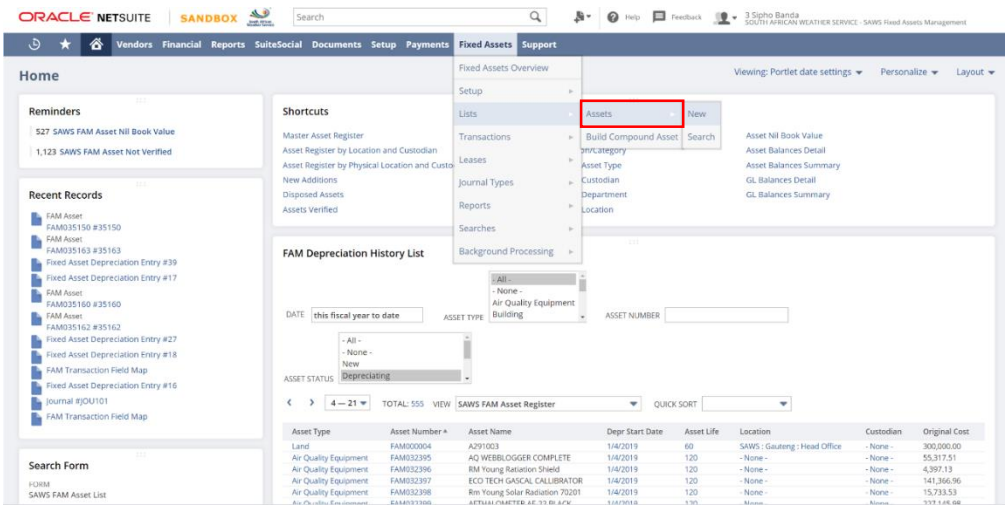


- You will be redirected to the Process Status page, where you can track the status of the disposal.

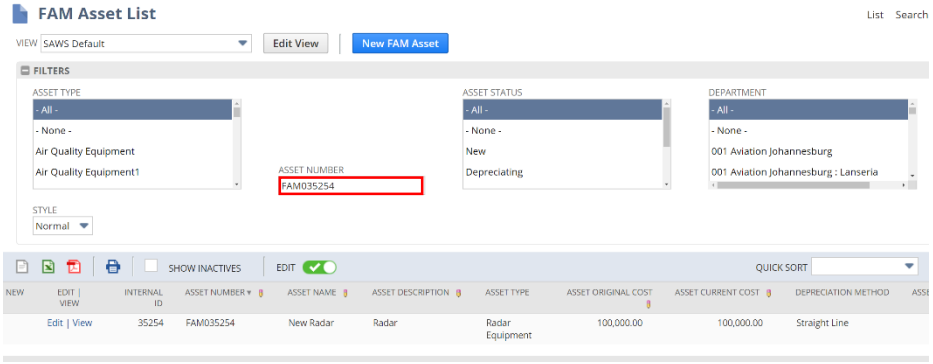


To update the disposal status:

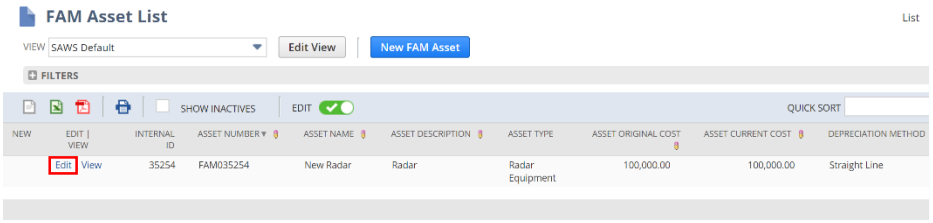
- Go to Fixed Assets > Lists > Assets



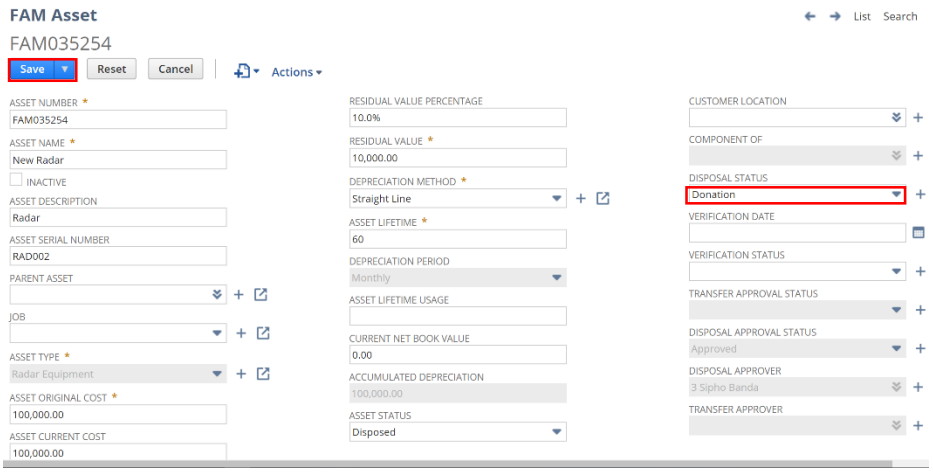
- Enter the following fields:
  - Asset Type e.g. **All**.
  - Asset Number e.g. **FAM035254**.
  - Asset Status e.g. **All**.



- Click edit on the link below

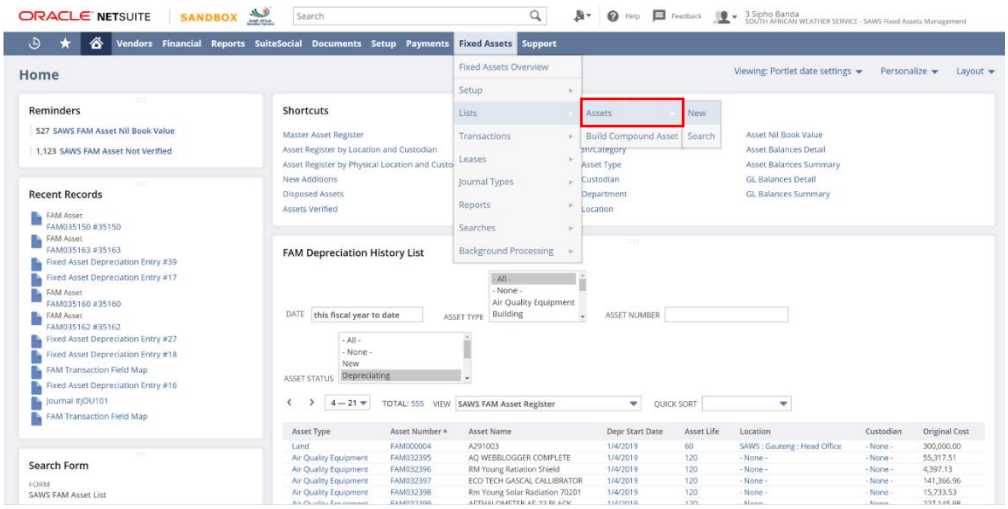


- Select Donation on the Disposal Status then save the Asset.

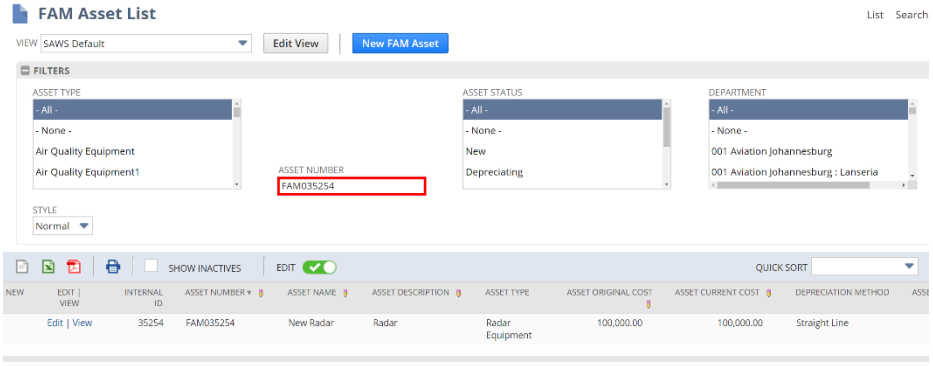


To review the Asset Disposal:

- Go to Fixed Assets > Lists > Assets

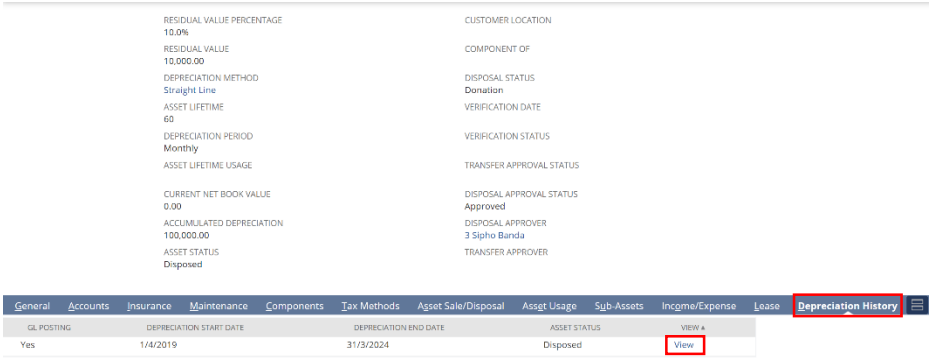


- Enter the following fields:
  - Asset Type e.g. **All**.
  - Asset Number e.g. **FAM035254**.
  - Asset Status e.g. **All**.

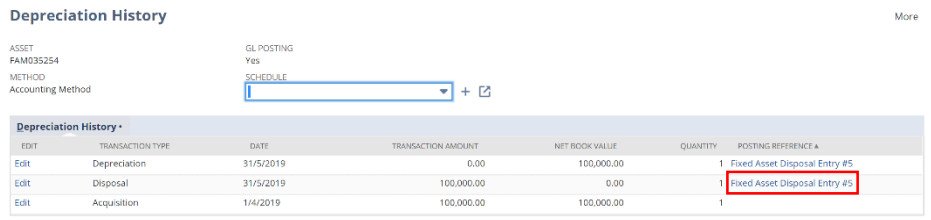


- Click View then Asset Sale/Disposal

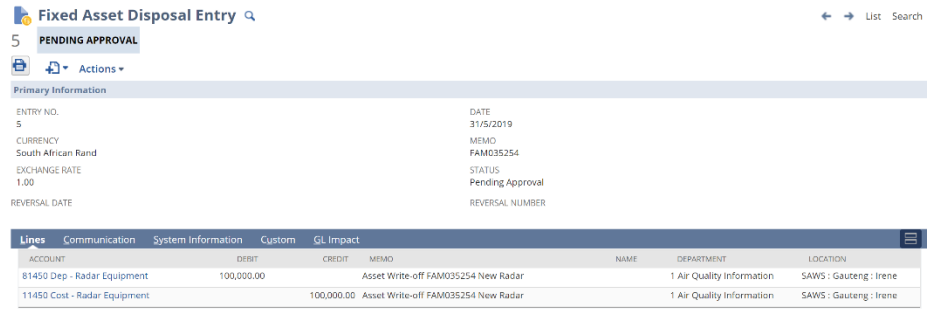
- Click the Depreciation History tab then view.



- Click the **Fixed Asset Disposal Entry #5** to review the disposal journal entry.



- Review the journal entry then click the home button.



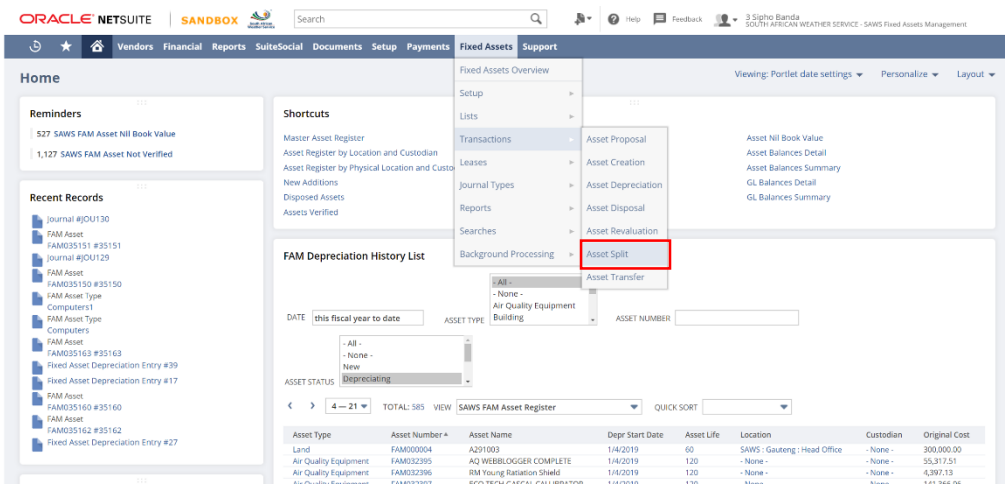
- The Fixed Asset Disposal Entry will be approved by changing the approval status to approved.

2.4 Asset Split

The Fixed Assets Management SuiteApp enables you to split assets that are not yet fully depreciated, have not been disposed of, or are not defined as inactive on the asset record. The quantity field on the Maintenance subtab of the asset record tracks the number of individual elements that form the asset. Asset split enables a specified quantity to be separated from the original asset and create a new asset. When splitting assets, new values must be provided for the cost and depreciation fields. Asset depreciation will continue to work on each asset as a whole. If different depreciation rules need to be applied to some of the quantity, then that quantity must be split to create a separate asset. Likewise, if some of the asset quantity will be transferred to a different class, department, location or subsidiary, the asset quantity must first be split to a separate asset and then moved. It is not possible to combine assets (for example, reverse the process of splitting an asset).

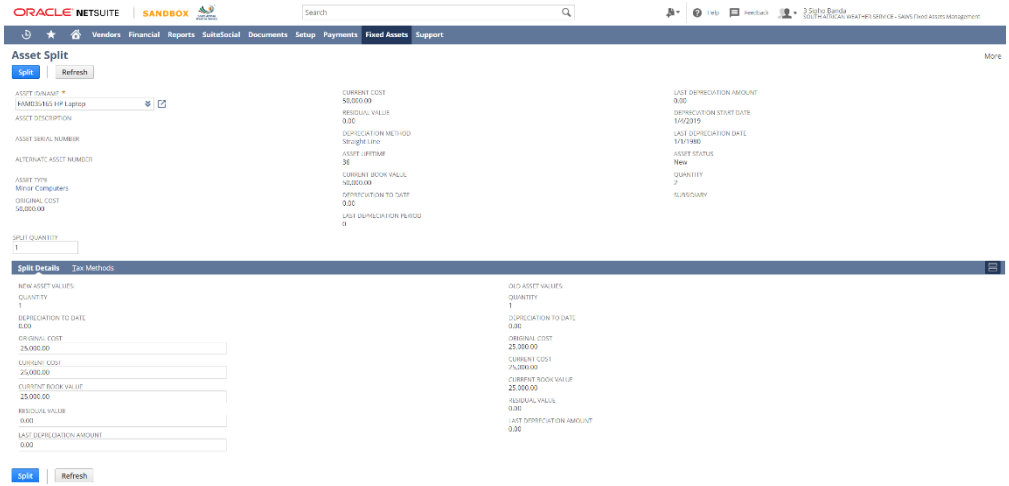
To split an asset:

- Go to Fixed Assets > Transactions > Asset Split.

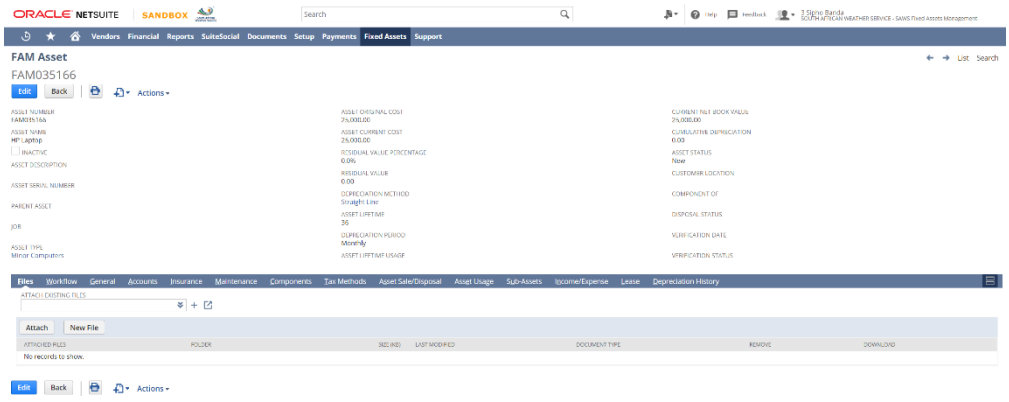


- In the Asset ID/Name field, enter **FAM035165**
- Enter the Split Quantity e.g. **1** in the field provided. Details of the new and old asset values are available on the Split Details subtab. New asset values are calculated based on the split quantity. These values can be edited. Take note of the following conditions when modifying the split details:
    - Split quantity must not be zero.
    - The net book value must not be greater that the current cost for both the old and new assets.

- The sum of the net book value and depreciation to date must equal the current cost.
- The last depreciation amount must not be greater than the depreciation to date.
- The residual value must not be greater than the current cost and net book value for both old and new assets.



- Click Split to create a new split asset and update the original asset.
- You will be redirected to the Process Status page, where you can track the status of the asset split. On the Process Status page, the following processes will be queued for asset split. You can click the Details link on any process to view the process stage details.
- Once the asset split, go to the asset and review or update details.

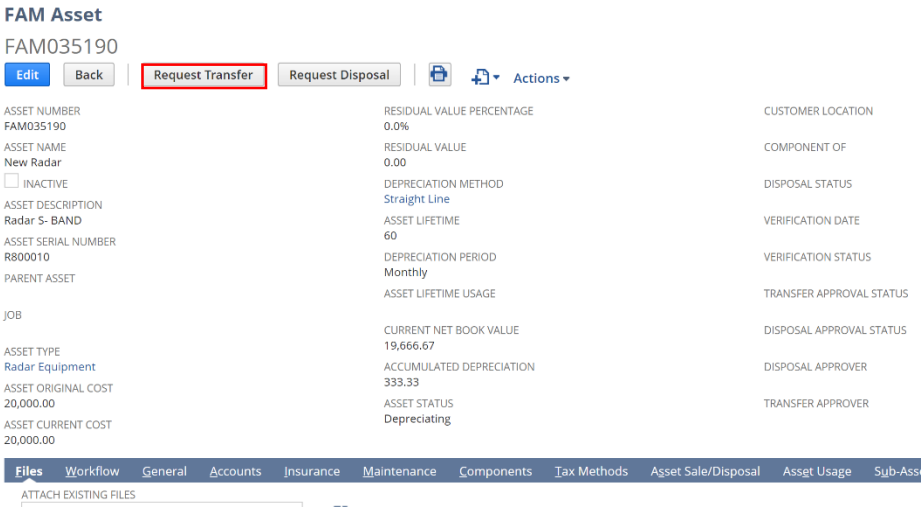


2.5 Asset Transfer

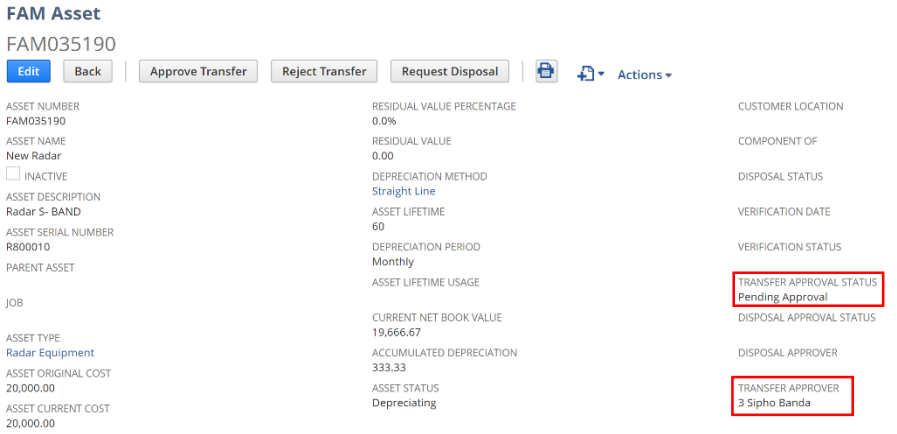
The Fixed Assets Management SuiteApp enables you to transfer simple and compound assets across asset types, subsidiaries, classes, departments, or locations. For asset transfers across subsidiaries, records of valid asset transfer accounts are required. For more information, see Asset Transfer Accounts. Starting with Fixed Assets Management version 4.0, Asset Transfers are processed in the Asset Transfer page. You will not be able to transfer the Asset Type at the same time as the Subsidiary, Department, Class, or Location. The Subsidiary, Department, Class, Location, and Asset Type fields on the Asset Record are greyed out even if the Allow Asset Value Editing preference is enabled.

To process an asset transfer by changing the asset type:

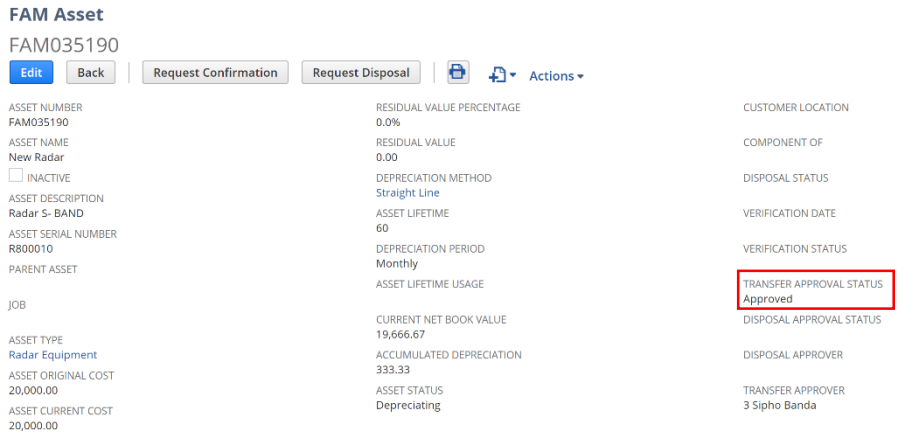
- To request approval for Asset Transfer, Click the Request Transfer button



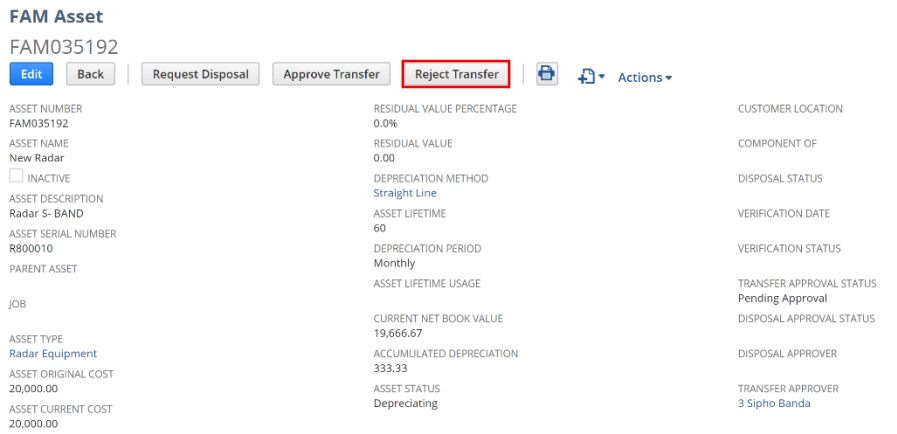
- The Asset Transfer request is pending approval form the cost center manager. To approve the request, click the Approve Transfer button.



- The transfer request has been approved.



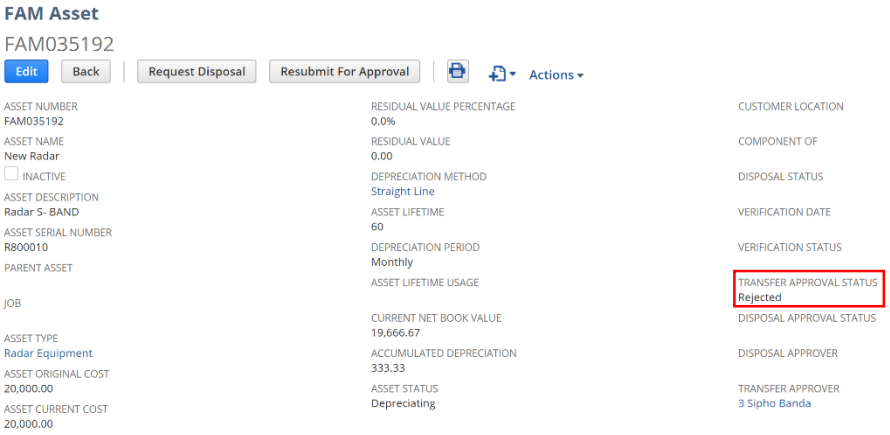
- To reject a transfer request, click the reject transfer.



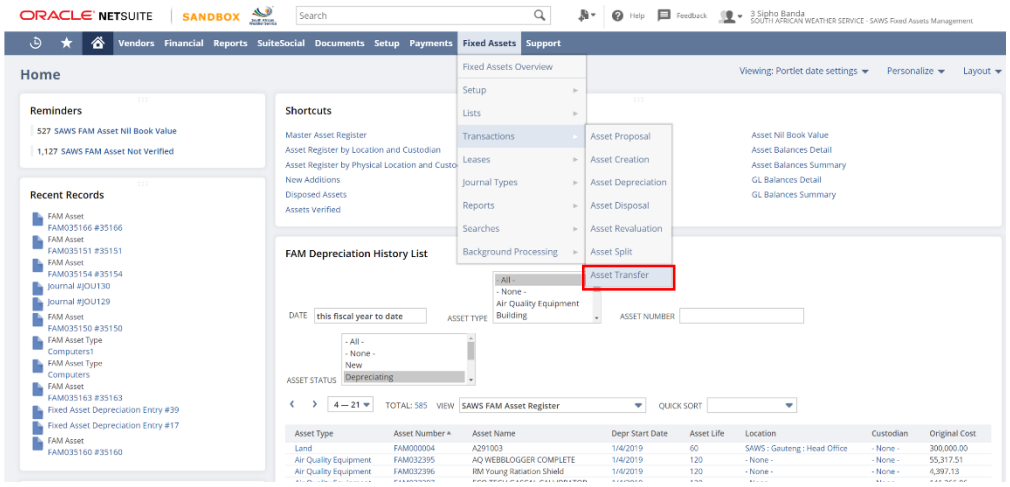
- Enter the reason e.g. Rejected then click the save button.

- Click the FAM035192 New Radar link to go back to the asset.

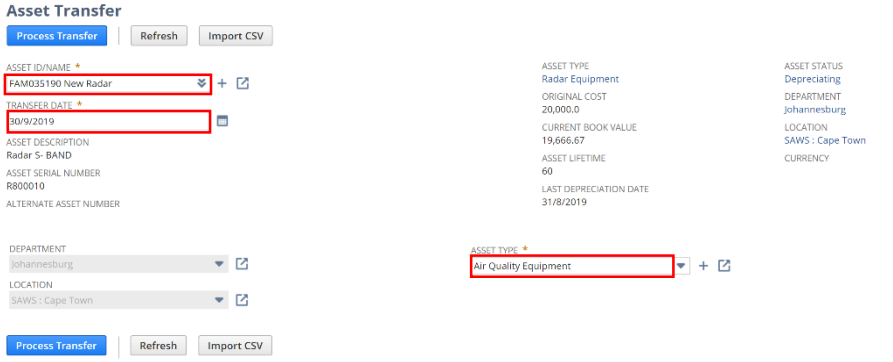
- The transfer request has been rejected.



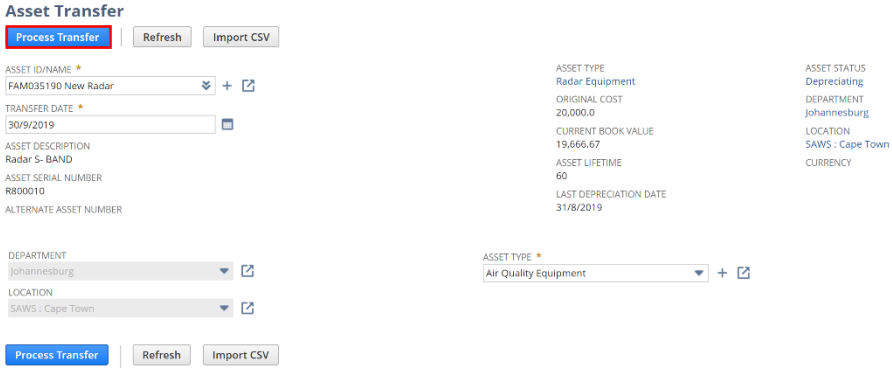
- Go to Fixed Assets > Transactions > Asset Transfer.



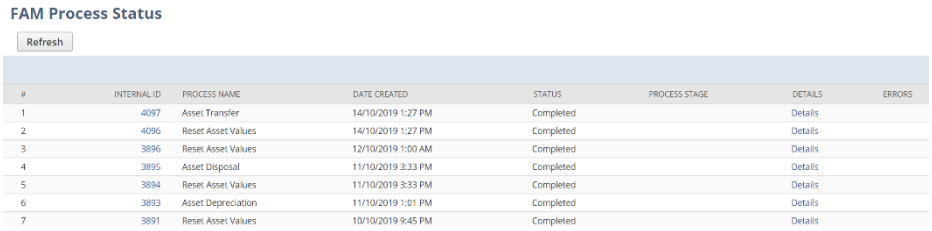
- On the Asset Transfer page, select an Asset ID or Name from the list. Enter **FAM035190 New Radar**.
- On the Transfer Date field, enter **30/09/2019**.
- Select the new Asset Type for the asset e.g. **Air Quality Equipment**.



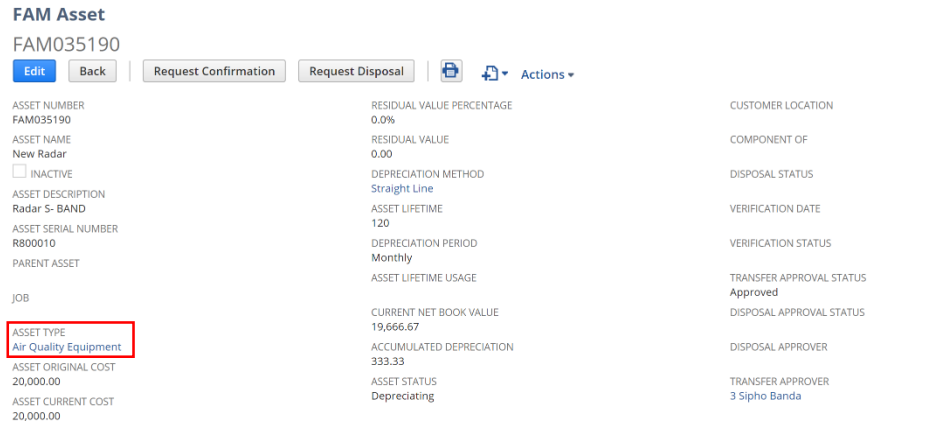
- Click Process Transfer button.



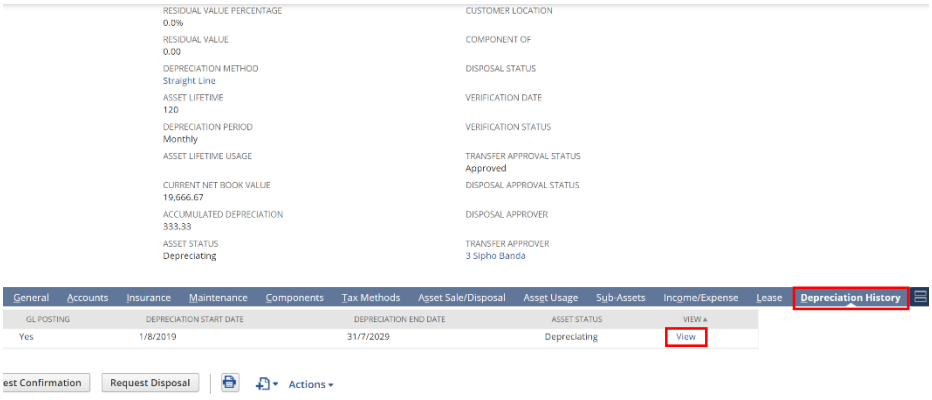
- When you transfer an asset, a catch-up depreciation will be computed to ensure that depreciation is up-to-date.
- You will be redirected to the Process Status page, where you can track the status of the asset transfer. On the Process Status page, the following processes will be queued for asset transfer. You can click the Details link on any process to view the process stage details.
- Once the transfer process is completed, you can review the asset details and journal entries that are generated on the depreciation history.



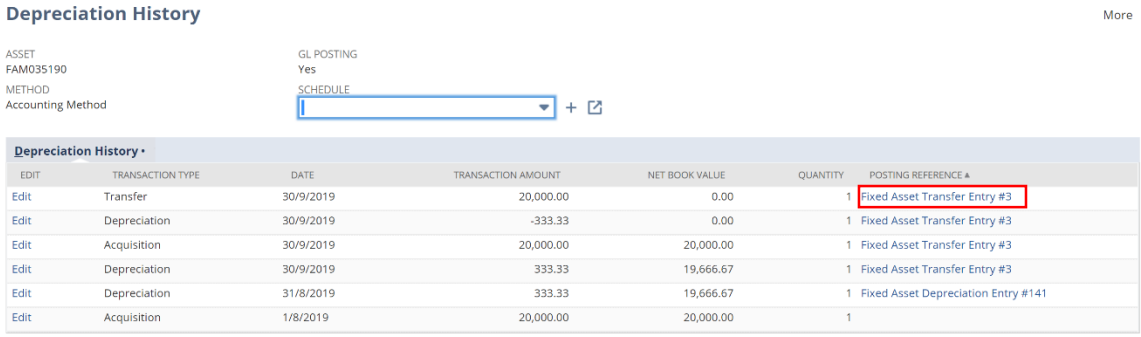
- The asset has been transferred from Radar Equipment to Air Quality Equipment.



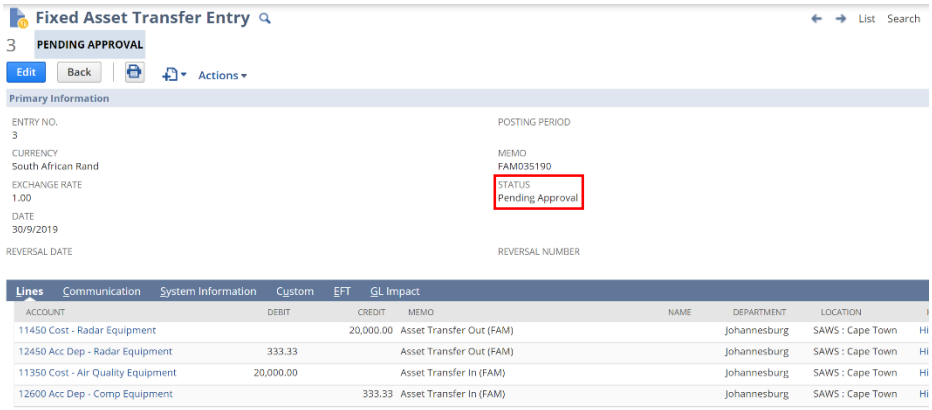
- Click depreciation history then view on the asset details to view depreciation details.



- The asset transfer entry has been created. Click the Fixed Asset Transfer Entry #3.

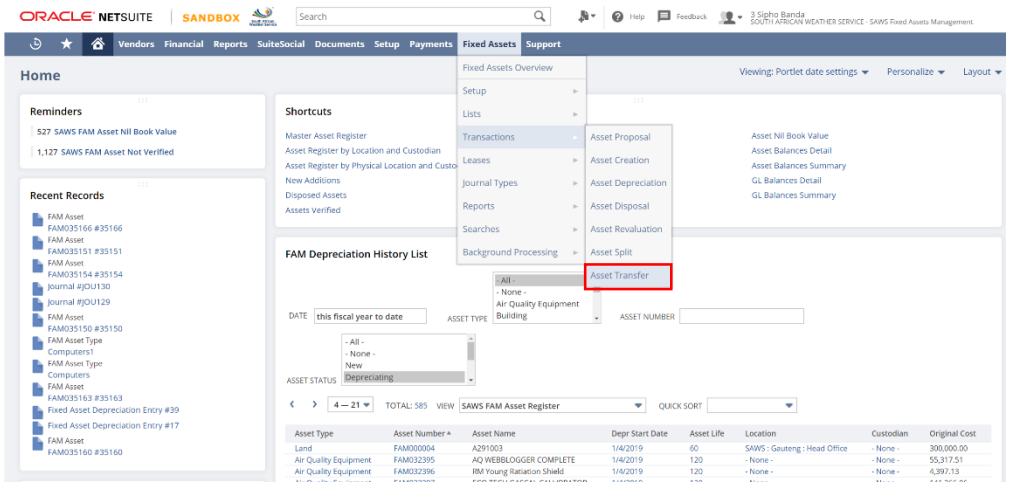


- The transfer entry is pending approval.

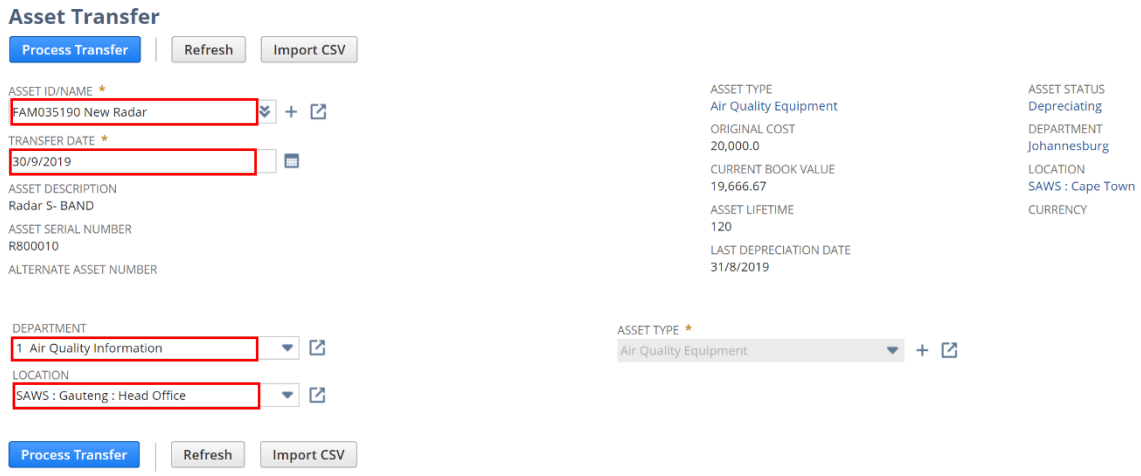


To process an asset transfer by changing the department, location and custodian:

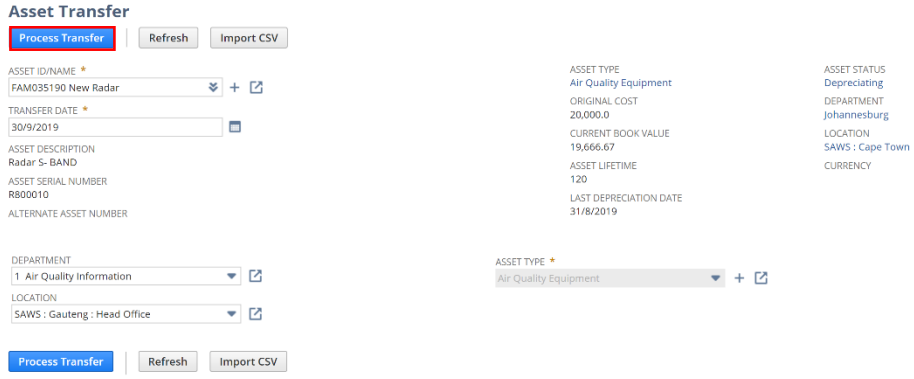
- Go to Fixed Assets > Transactions > Asset Transfer.



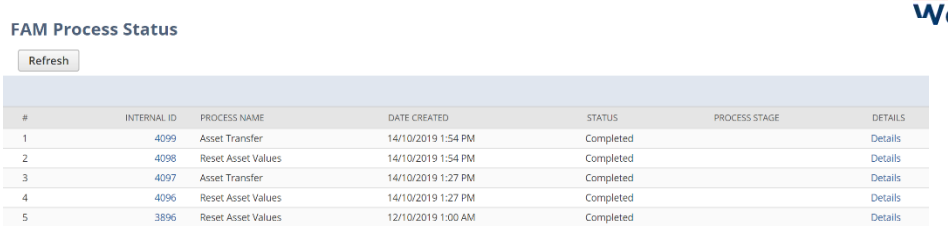
- On the Asset Transfer page, select an Asset ID or Name from the list. Enter **FAM035190 New Radar**.
- On the Transfer Date field, enter **30/09/2019**.
- Enter the following:
    - Department e.g. **Air Quality Information**.
    - Location e.g. **SAWS : Gauteng : Head Office**.



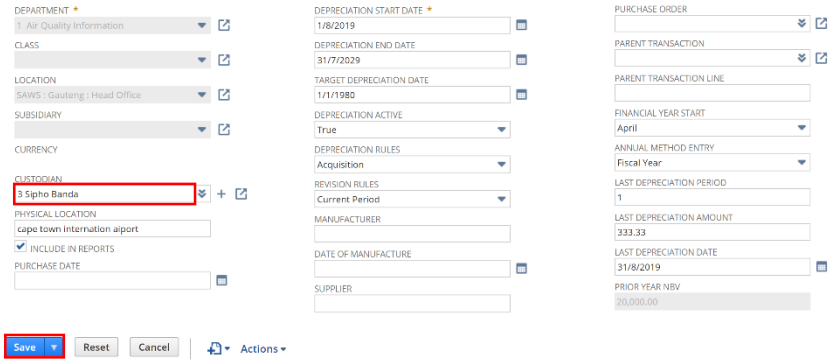
- Click Process Transfer.



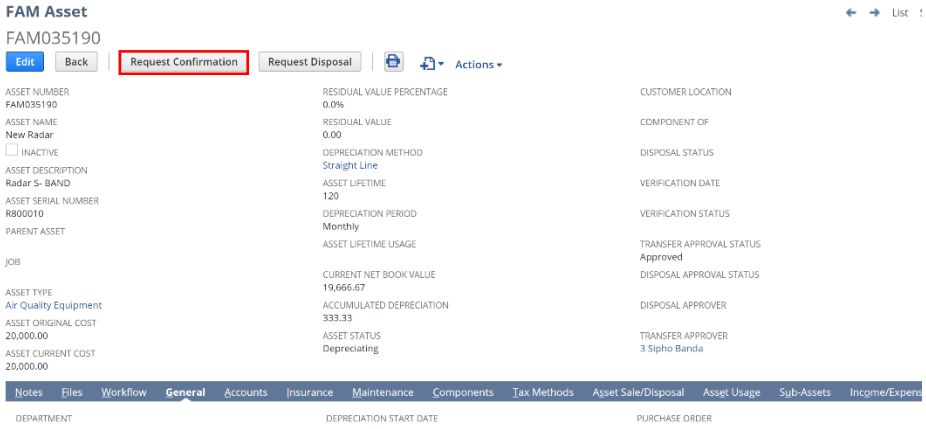
- Once the transfer process is completed, Go to Fixed Assets > Lists > Assets.



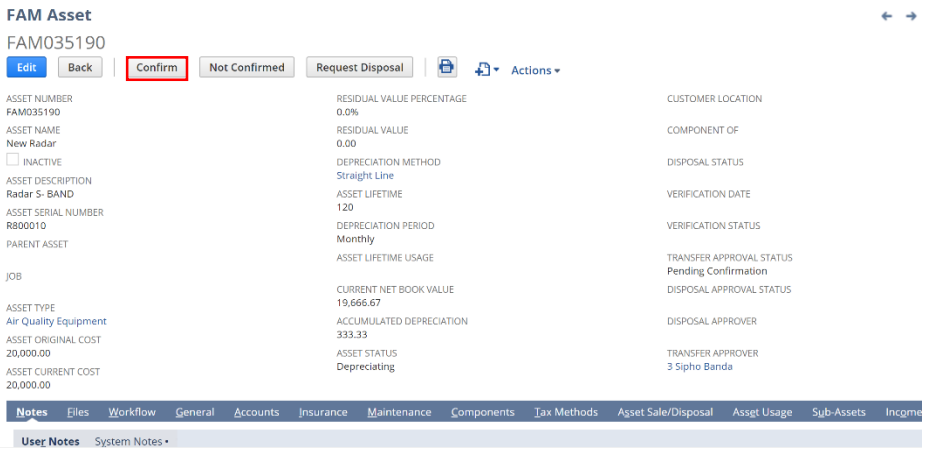
- Click Edit then General tab and change the following:
  - Custodian e.g. **Sipho Banda**.
  - Click the save button.



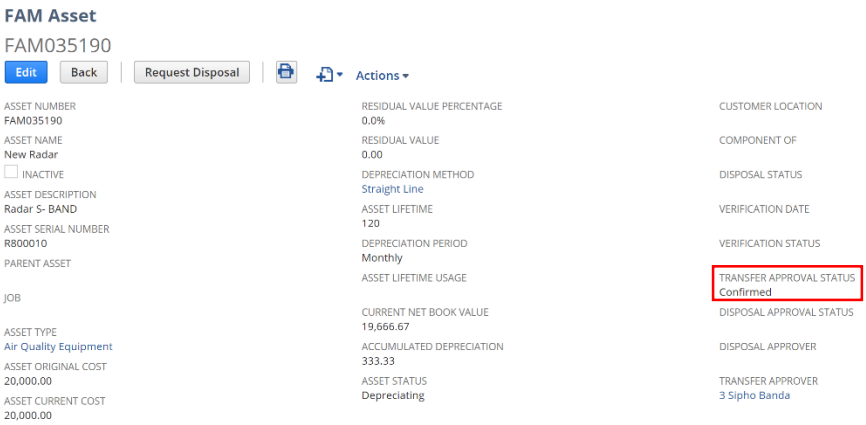
- Click the request confirmation. The new custodian will receive an email notification to confirm the transfer.



- The new custodian will receive an email notification to confirm the transfer.
- To confirm the transfer, click the Confirm button.



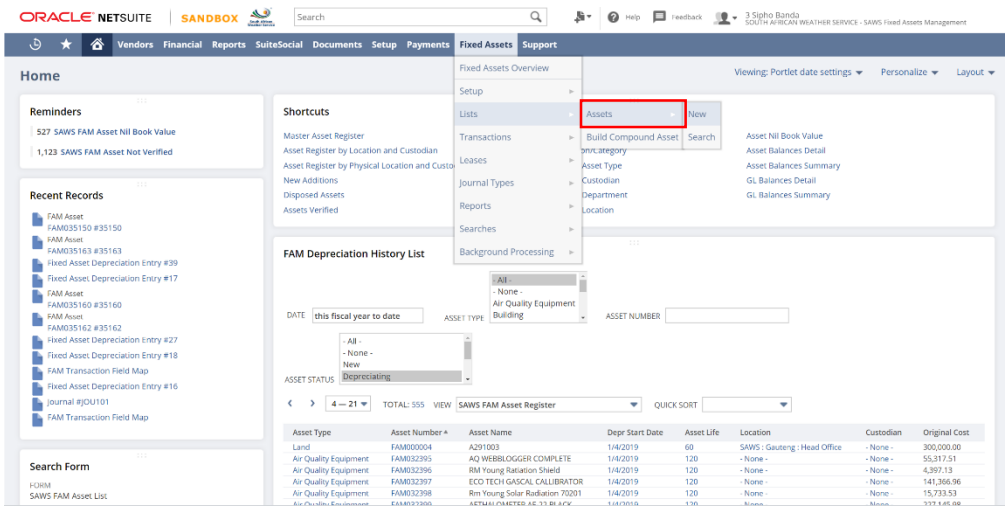
- The transfer has been confirmed.



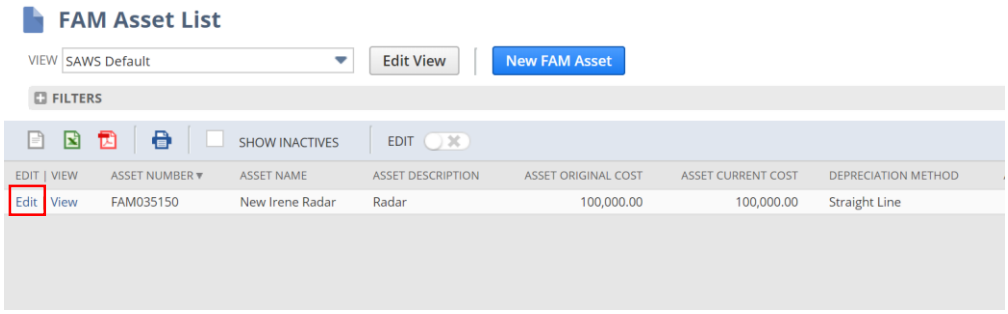
2.6 Asset Verification

To verify assets:

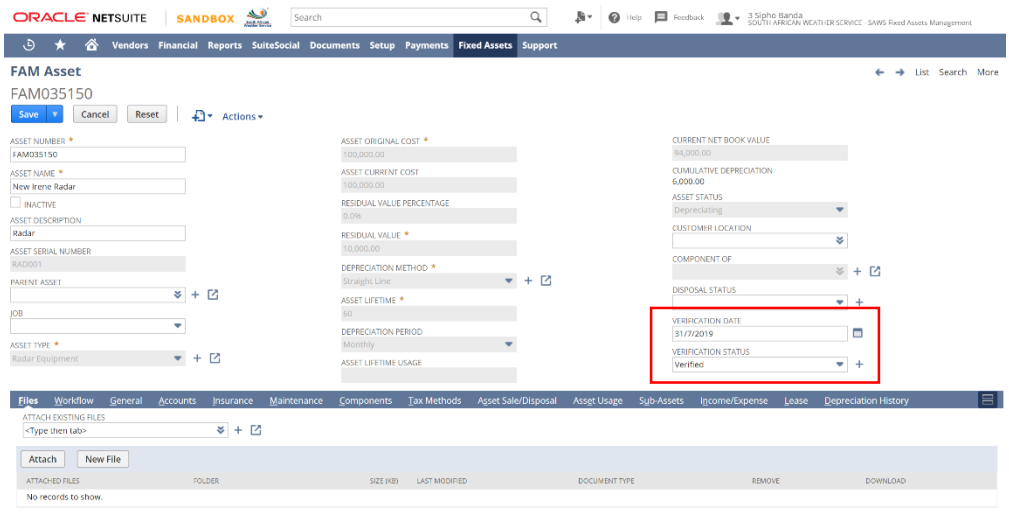
- Go to Fixed Assets > Lists > Assets.



- Click the edit button on the radar equipment.



- Enter values for the following fields:
    - Verification Date e.g. 31/07/2019.
    - Verification Status e.g. Verified.



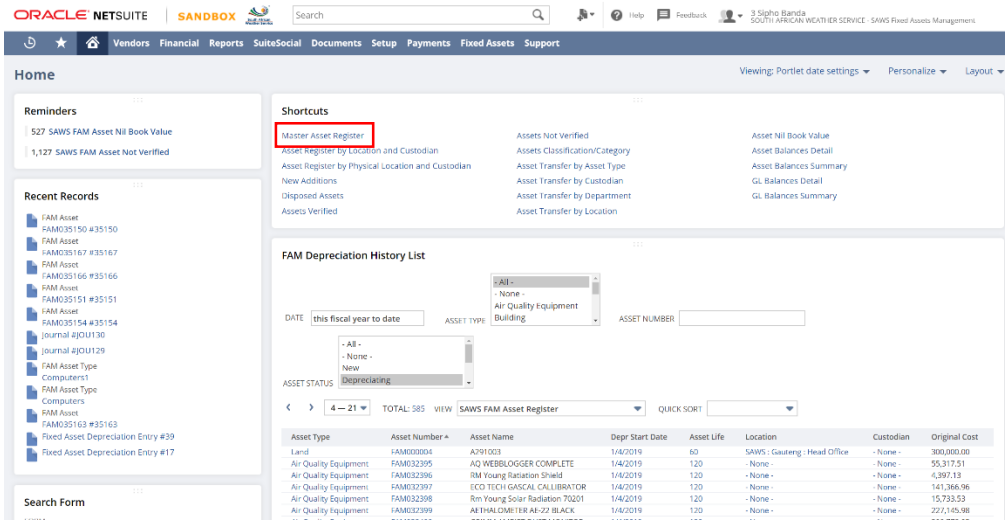
- Save the asset record.

2.7 Reports

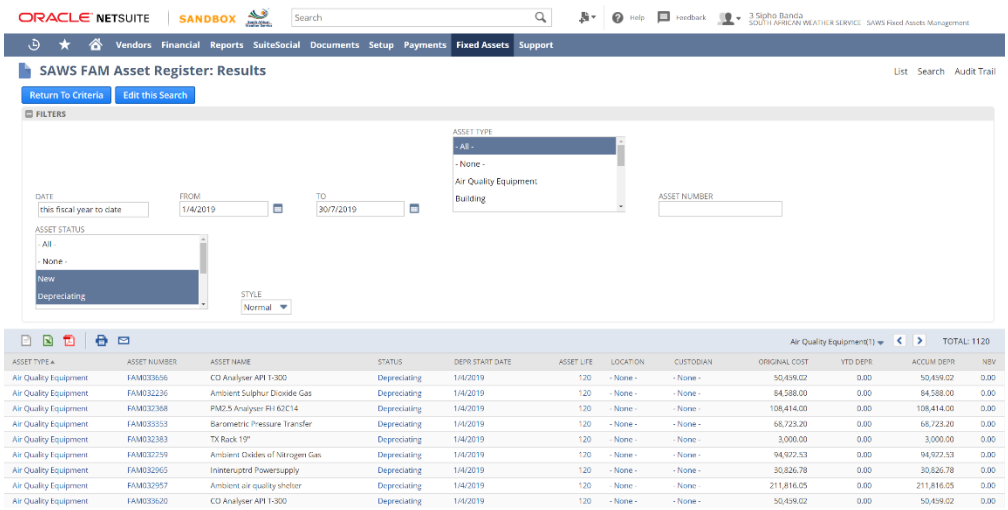
2.7.1 Master Asset Register

To run the Fixed Asset Register

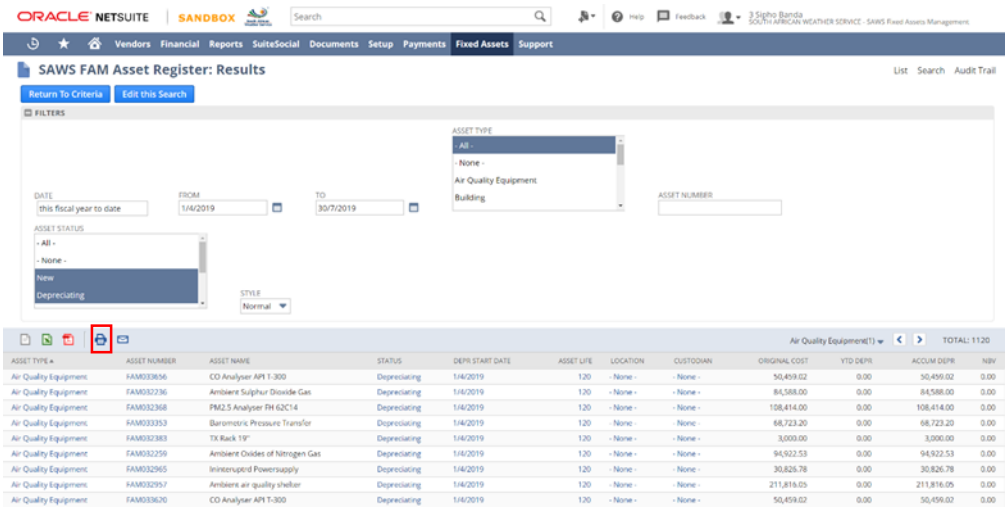
- Click the Master Asset Register link.



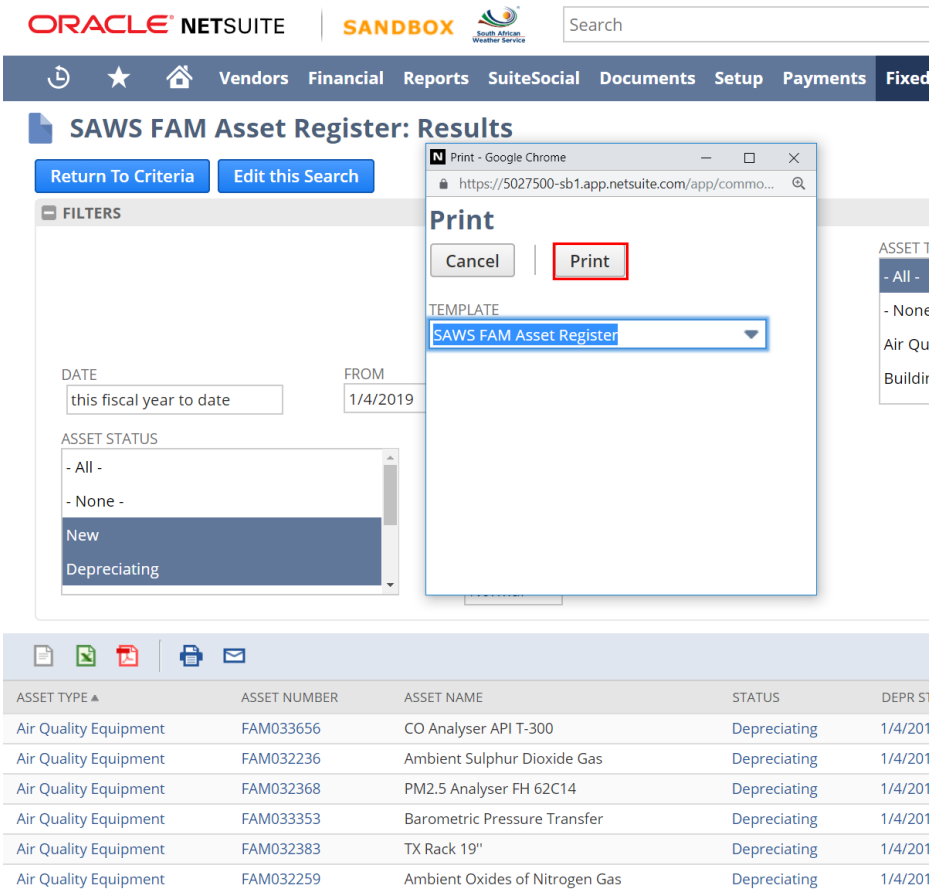
- Enter values for the following fields:
  - Date - this fiscal year to date
  - From - 01/04/2019
  - To – 31/07/2019
  - Asset Type – All
  - Asset Status - New and Depreciating



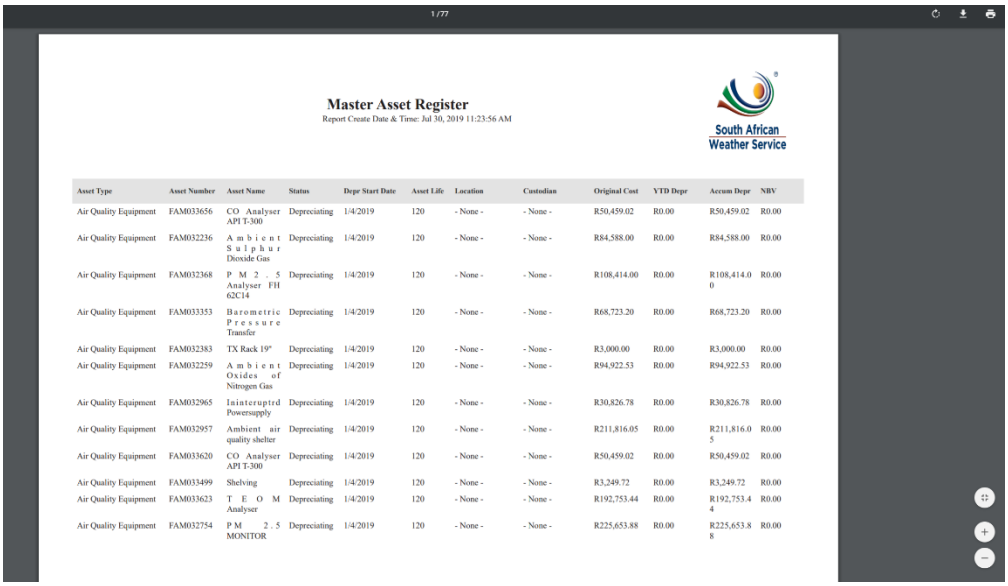
- Click the Print button to review the PDF.



- Select the SAWS FAM Asset Register Template then click the Print button.



- Review the PDF then click the download button to save the PDF.



Asset Type	Asset Number	Asset Name	Status	Depr Start Date	Asset Life	Location	Custodian	Original Cost	YTD Depr	Accum Depr	NBV
Air Quality Equipment	FAM033656	CO Analyser API T-300	Depreciating	1/4/2019	120	- None -	- None -	R50,459.02	R0.00	R50,459.02	R0.00
Air Quality Equipment	FAM032236	Ambient Sulphur Dioxide Gas	Depreciating	1/4/2019	120	- None -	- None -	R84,588.00	R0.00	R84,588.00	R0.00
Air Quality Equipment	FAM032368	PM 2.5 Analyser FH 62C14	Depreciating	1/4/2019	120	- None -	- None -	R108,414.00	R0.00	R108,414.00	R0.00
Air Quality Equipment	FAM033353	Barometric Pressure Transfer	Depreciating	1/4/2019	120	- None -	- None -	R68,723.20	R0.00	R68,723.20	R0.00
Air Quality Equipment	FAM032383	TX Rack 19"	Depreciating	1/4/2019	120	- None -	- None -	R3,000.00	R0.00	R3,000.00	R0.00
Air Quality Equipment	FAM032259	Ambient Oxides of Nitrogen Gas	Depreciating	1/4/2019	120	- None -	- None -	R94,922.53	R0.00	R94,922.53	R0.00
Air Quality Equipment	FAM032965	Ininteruptrd Powersupply	Depreciating	1/4/2019	120	- None -	- None -	R30,826.78	R0.00	R30,826.78	R0.00
Air Quality Equipment	FAM032957	Ambient air quality shelter	Depreciating	1/4/2019	120	- None -	- None -	R211,816.05	R0.00	R211,816.05	R0.00
Air Quality Equipment	FAM033620	CO Analyser API T-300	Depreciating	1/4/2019	120	- None -	- None -	R50,459.02	R0.00	R50,459.02	R0.00
Air Quality Equipment	FAM033499	Shelving	Depreciating	1/4/2019	120	- None -	- None -	R3,249.72	R0.00	R3,249.72	R0.00
Air Quality Equipment	FAM033623	TEOM Analyser	Depreciating	1/4/2019	120	- None -	- None -	R192,753.44	R0.00	R192,753.44	R0.00
Air Quality Equipment	FAM032754	PM 2.5 MONITOR	Depreciating	1/4/2019	120	- None -	- None -	R225,653.88	R0.00	R225,653.88	R0.00

2.7.2 Asset Register by Location and Custodian

- Repeat steps in 2.7.1 to run the report.

2.7.3 Asset Register by Physical Location and Custodian

- Repeat steps in 2.7.1 to run the report.

2.7.4 New Additions

- Repeat steps in 2.7.1 to run the report.

2.7.5 Disposals

- Repeat steps in 2.7.1 to run the report.

2.7.6 Assets Verified

- Repeat steps in 2.7.1 to run the report.

2.7.7 Assets Not Verified

- Repeat steps in 2.7.1 to run the report.

2.7.8 Asset Nil Book Value

- Repeat steps in 2.7.1 to run the report.

2.7.9 Asset Transfer by Asset type

- Repeat steps in 2.7.1 to run the report.

2.7.10 Asset Transfer by Location

- Repeat steps in 2.7.1 to run the report.

2.7.11 Asset Transfer by Department

- Repeat steps in 2.7.1 to run the report.

2.7.12 Asset Transfer by Custodian

- Repeat steps in 2.7.1 to run the report.

2.7.13 Asset Classification/Category

- Repeat steps in 2.7.1 to run the report.

2.7.14 GL Balances Summary

- Repeat steps in 2.7.1 to run the report.

2.7.15 GL Balances Detail

- Repeat steps in 2.7.1 to run the report.

2.7.16 Assets Balances Summary

- Repeat steps in 2.7.1 to run the report.

2.7.17 Assets Balances Detail

- Repeat steps in 2.7.1 to run the report.

Asset Condition

Asset Type Major or Minor